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| To: | Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union |
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| Subject: | ANNEX to the Proposal for a COUNCIL IMPLEMENTING DECISION amending Implementing Decision (EU) (ST 10154/21 INIT; ST 10154/21 ADD 1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Denmark |

Delegations will find attached document COM(2024) 547 final.

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EUROPEAN
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COM(2024) 547 final

ANNEX

**ANNEX**

***to the***

**Proposal for a COUNCIL IMPLEMENTING DECISION**

**amending Implementing Decision (EU) (ST 10154/21 INIT; ST 10154/21 ADD 1) of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Denmark**

{SWD(2024) 266 final}

**ANNEX**

**SECTION 1: REFORMS AND INVESTMENTS UNDER THE RECOVERY AND RESILIENCE PLAN**

## 1. Description of Reforms and Investments

### A. COMPONENT 1: STRENGTHENING THE RESILIENCE OF THE HEALTHCARE SYSTEM

This component of the Danish recovery and resilience plan shall contribute to making the health care system more resilient and better prepared for unexpected crises like COVID-19. The component contains four measures, related to critical stocks of medical products, telemedicine, research into COVID-19 vaccines and management of medical supplies. This includes ensuring strategic storages of medicine, which is expected to reduce the vulnerability of supply chains. Furthermore, Denmark is expected to strengthen the digitalisation of the health system, benefitting in particular people living in less densely populated areas.

These investments and reforms shall contribute addressing the country-specific recommendation addressed to Denmark in 2020, i.e. "*Enhance the resilience of the health system, including by ensuring sufficient critical medical products and addressing the shortage of health workers*" (CSR 1.2, 2020).

### A.1. Description of the reforms and investments for non-repayable financial support

Investment 1: Clinical study on effect of COVID-19 vaccines

Denmark shall invest in a large-scale clinical cohort study of the various COVID-19 vaccines in order to increase the knowledge on the effects and side effects of the vaccines. The objective of this measure is to measure long-term effects concerning immunity and side effects of the vaccines.

Investment 2: Measures to ensure stocks of critical drugs

In order to avoid critical situations with shortages of important drugs, Denmark has established, and shall now extend infrastructure and logistics support to maintain and ensure strategic stocks of critical drugs in the secondary health sector. The list of critical medicines has been prepared on the basis of input from the clinical pharmacologists in the regions.

Investment 3: Digital solutions in the healthcare sector

During the COVID-19 pandemic new digital solutions have been used to make citizens and the healthcare system more connected. The Ministry of Health shall develop and increase the use of these new digital solutions such as (1) widespread use of digital solutions, (2) video consultations, (3) patient involvements and widespread use of telemedicine.

Investment 4: Emergency management & monitoring of critical medical products

COVID-19 has introduced a crucial need for acute planning and monitoring both concerning shortages and supply problems and potential side effects of the COVID-19 vaccines. The objective of this measure is to improve the infrastructure for monitoring shortages and supply problems and for monitoring and acting upon potential side effects of the COVID-19 vaccines, and to strengthen the overall emergency planning.

### A.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 1 | 1 - Strengthening the Resilience of the Health Care System - Measures to ensure stocks of critical drugs | Milestone | Report of the assessment of stocks of critical drugs by the Danish Medicines Agency to be made available aiming to avoid situations with a shortage of important drugs in Denmark. | Report on the assessment of the stocks of critical medicines and follow-up by the Danish Medicines Agency as necessary. | | | | Q4 | 2021 | The milestone is reached when the Danish Medicines Agency has assessed and reported to the Danish Ministry of Health on the stocks of critical medicines. The assessment shall be of high importance in forecasting and ensuring the right level of storage capacity for critical drugs.<br><br>An assessment of infection pressure and number of patients hospitalized with COVID-19 as well as the general development in the pharmaceutical markets shall be included in the assessment. |
| 2 | 1 - Strengthening the Resilience of the Health Care System - Digital | Milestone | Evaluation of patient involvement and widespread use of telemedicine | An evaluation about telemedicine | | | | Q4 | 2021 | In close collaboration with Danish Regions, the Central Region shall report an evaluation to the Danish Ministry of Health on |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | solutions in the health care sector | | to be made available by the Danish Ministry of Health in close collaboration with Danish Regions. | solutions of health anxiety. | | | | | | telemedicine solutions of health anxiety to further develop and increase the use of telemedicine and patient involvement. |
| 3 | 1 - Strengthening the Resilience of the Health Care System - Digital solutions in the health care sector | Target | Develop and make available facilities for telemedicine consultation (KontaktLæge) for multiple platforms. | | Number | 1 | 2 | Q4 | 2021 | To increase the use of video telemedicine consultations (KontaktLæge) to other mobile device platforms, the Danish Ministry of Health in collaboration with MedCom shall develop and make available the application KontaktLæge on a second mobile device platform. MedCom is a Non-profit organisation financed and owned by the Ministry of Health, Danish Regions and Local Government Denmark to facilitate cooperation between |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | authorities, organisations and private firms linked to the Danish healthcare sector. |
| 4 | 1 - Strengthening the Resilience of the Health Care System - Digital solutions in the health care sector | Milestone | Implementation of a digital questionnaire in the app "MinLæge" ("My Doctor") | Implementation of digital questionnaires and patient-reported data through the app MinLæge. | | | | Q1 | 2022 | The objective of the measure shall be to allow general practitioners to use “My Doctor” to ask users to fill out digital questionnaires on pneumococcus, influenza and pregnancy and thus quickly stratify patients in relation to vaccinations and to other medical conditions. In close collaboration with The Danish Organization of General Practitioners a written report presenting the technical and medical conclusions shall be presented. |
| 5 | 1 - Strengthening the Resilience of the Health Care System - Clinical | Milestone | Report on a study conducted by Aarhus University | Conduct a study and publish the report regarding results and | | | | Q3 | 2023 | Aarhus University Hospital shall conduct and publish a large-scale study for a two year period after vaccination. The study and |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | study on effect of COVID-19 vaccines | | Hospital on the effects and side effects of COVID-19 vaccines to be made available to the Danish Ministry of Health. | further knowledge of the effects and side effects of COVID-19 vaccines | | | | | | report shall be sent to the Danish Ministry of Health. |
| 6 | 1 - Strengthening the Resilience of the Health Care System - Emergency management & monitoring of critical medical products | Target | Implement an optional IT-system to report on the side effects of the COVID-19 vaccines into 1<br><br>250 general practitioners' local digital platforms. | | Number | 1 000 | 2 250 | Q3 | 2021 | Implementation of an IT-system concerning reporting of side effects of the COVID-19 vaccines into 1 250 additional general practitioners' local digital platforms compared to 1 000 in 2021. The Danish Medicines Agency shall ensure implementation of the IT-system concerning reporting of side effects of the COVID-19 vaccines for general practitioners to use. |

## B. COMPONENT 2: GREEN TRANSITION OF AGRICULTURE AND ENVIRONMENT

The objective of this component of the Danish recovery and resilience plan is threefold. Firstly, the proposed initiatives shall utilise known and effective instruments to lower greenhouse gas emissions in the Danish agriculture while minimising the reduction in production output. This aims to reduce greenhouse gas emissions by estimated 0.1 megatons CO2e by 2030. Further, emissions of nitrogen to coastal waters are expected to be reduced by an estimated 198 tonnes by 2030. By doing so, the Danish agricultural sector is expected to contribute to the achievement of Denmark's climate target, which is to lower greenhouse gas emissions by 70% by 2030, as well as to improve environmental conditions. Increased organic farming serves as both a mean to achieve this target as well as a goal in the green transition of the Danish agriculture sector.

Secondly, as a supplement to the Danish government's green research strategy, significant funds in research and development towards promising technologies in the agricultural sector shall be introduced. This aims to document and demonstrate the greenhouse gas effects of the so-called brown biorefinement technology. The technology has an estimated technical potential of reductions by 2 Mt CO2e in 2030. That equals around 1/8 of the greenhouse gas emission of the agricultural sector. Hence, research and development of such new solutions and technologies are key to the green transition of the Danish agriculture sector – both in reducing national emissions and in showcasing the rest of the world a way for reducing agricultural emissions without lowering the production output of the sector.

Finally, production in the past has caused severe pollution of the environment and contamination of soil. Chemicals and harmful substances have been emitted directly into nature. These pollutions are a result of a lack of knowledge about the harmful effect of dumping chemicals into nature, and the harm it caused for future generations. This component includes investments aimed at rehabilitating industrial sites and land that was contaminated due to unsustainable production in the past.

This component contributes addressing the country-specific recommendation addressed to Denmark in 2020, on the need to "focus investment on the green and digital transition, in particular on clean and efficient production and use of energy" (country-specific recommendation 2, 2020).

### B.1. Description of the reforms and investments for non-repayable financial support

Reform 1: Carbon rich soils

The aim of the initiative is to provide a significant reduction in the emission of greenhouse gases from the production on carbon rich soils. Furthermore, rewetting and taking carbon rich soils out of production shall contribute to a reduction of nitrogen emission as well.

Investment 1: Organic Farming

The aim of the measure is to incentivise more farmers to make the transition from conventional to organic farming. Moreover, this measure shall contribute to increase Danish export of organic agricultural goods.

Investment 2: Organic transition of public kitchens

The measure shall be dedicated to a wide-ranging suite of educational programmes and support curriculums facilitating the transition to more organic, healthy and sustainable food in public kitchens.

Investment 3: Organic Innovation Centre

The purpose of this measure shall be to establish an Innovation Centre. The centre shall conduct research, experiments and development within organic agriculture and food and to collect and disseminate knowledge about organic products to create development for the benefit of the agricultural sector in a technically, economically and environmentally optimal way in accordance with good research practice and independent of other interests.

Investment 4: Plant based organic projects

Establishment of a yearly pool in 'The Foundation of Organic Farming' shall support the development of a more organic, plant-based food system from farm to fork.

Investment 5: Climate technologies in agriculture

With this measure, Denmark shall further invest in the upscaling of the most promising technologies on the market. The research in new technologies not only benefits the climate and the environment but also job creation.

Investment 6: Rehabilitation of industrial sites and contaminated land

The measure aims to rehabilitate ten former industrial land areas that are contaminated from dumped chemicals. The initiative shall be implemented by granting a subsidy to the Danish Regions (administrative entity on regional level) which holds the administrative responsibility for contaminated soil. The rehabilitation of the areas aims to provide a permanent improvement of the local environment while creating economic activity in rural areas.

## B.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 7 | 2 - Green transition of Agriculture and the Environment - Organic farming | Target | At least 40 projects under The Foundation for Organic Farming completed. | | Number | 0 | 40 | Q4 | 2025 | The projects shall promote agriculture export, market organic products and increase knowledge and build competence in the organic produce sector. The target shall be met when at least 40 projects have been completed. |
| 8 | 2 - Green transition of Agriculture and the Environment - Organic transition of public kitchens | Target | At least 160 public kitchens have received competence development supporting organic transition. | | Number | 0 | 160 | Q4 | 2025 | The initiative shall be implemented as distinct pools of funded projects within The Foundation for Organic Farming. The target shall be met when at least 160 public kitchens have received competence development through participation in educational projects. |
| 9 | 2 - Green transition of Agriculture and | Target | At least 6 projects supporting | | Number | 0 | 6 | Q4 | 2025 | The organic innovation projects shall collect and convey knowledge to |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | the Environment - Organic Innovation Centre | | organic innovation have been completed | | | | | | | support organic farming to create economically and environmentally sustainable farms. Further, the organic innovation projects shall consist of research and experiments within organic farming. The target shall be met when at least 6 projects have been completed. |
| 10 | 2 - Green transition of Agriculture and the Environment - Plant based organic projects | Target | At least 10 projects that aims to support the development of more organic, plant-based food is completed. | | Number | 0 | 10 | Q4 | 2025 | The funds shall support projects consisting of knowledge-based, practical initiatives that shall strengthen competence building and synergies in the promotion of organic plant-based foods. This includes cultivation, strengthening of the value chain, sales promotion, nutrition, trade and international promotion of organic plant-based foods and general strengthening |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | of the knowledge base for such initiatives. The target shall be met when at least 10 projects have been completed. |
| 11 | 2 - Green transition of Agriculture and the Environment - Climate technologies in agriculture | Milestone | Call for applications for the subsidy schemes for climate technologies in agriculture (brown biorefineries) is completed. | Call for tender has been completed. | | | | Q4 | 2021 | The milestone shall be completed when the application round is closed and the Danish Agricultural Agency announces on its homepage that the application round is closed.<br><br>The objective of the scheme shall be to demonstrate the use of the brown bio-refineries that have a large potential to reduce greenhouse gas emissions in agriculture. |
| 12 | 2 - Green transition of Agriculture and | Target | Setup of 1 full-scale biorefinery. | | Number | 0 | 1 | Q4 | 2025 | Realisation by 31 December 2025 of a brown bio refinery where the technology can |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | the Environment - Climate technologies in agriculture | | | | | | | | | be tested in full scale. Documentation of the climate and environmental effects and impacts of adding biochar into the soil. Reports on research and development, including documentation of climate and environmental effects and impact. |
| 13 | 2 - Green transition of Agriculture and the Environment - Carbon rich soils | Milestone | Call for applications for the subsidy scheme for rewetting and taking out carbon rich soils out of production is completed | The call for applications for the subsidy scheme for taking out carbon rich soils out of productions is completed. | | | | Q4 | 2021 | The purpose of the scheme shall be to create financial incentives for farmers to take their carbon rich soils out of production and rewet them in order to prevent the carbon from being emitted into the atmosphere.<br><br>The milestone shall be completed when the application round is closed and the Danish Environmental Agency |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | announces on its homepage that the application round is closed. |
| 14 | 2 - Green transition of Agriculture and the Environment - Carbon rich soils | Target | Projects that represent taking 2 350 hectares of carbon rich soil out of production have had undertakings providing a halfway mark on the removal. | | Number | 0 | 2 350 | Q4 | 2024 | The target shall be met when 2 350 hectares of carbon rich soil have been taken out of production. |
| 15 | 2 - Green transition of Agriculture and the Environment - Carbon rich soils | Target | Projects that represent taking 4 700 hectares of carbon rich soil out of production have been awarded. | | Number | 2 350 | 4 700 | Q2 | 2026 | The target shall be met when 4 700 hectares of carbon rich soil have been taken out of production. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 16 | 2 - Green transition of Agriculture and the Environment - Rehabilitation of industrial sites and contaminated land | Target | Minimum 4 project application to rehabilitate an industrial site or contaminated land have been approved | | Number | 0 | 4 | Q1 | 2022 | The Danish Environmental Protection Agency shall have received and approved at least 4 applications for the specific sites. The specific projects shall be cost-effective and sites shall be chosen based on at least political priorities, severity of the contamination and the risk for the surrounding areas. |
| 17 | 2 - Green transition of Agriculture and the Environment - Rehabilitation of industrial sites and contaminated land | Milestone | Report on midway status for work realised on approved projects and corrective action taken where needed. | Status report is submitted by Regional Councils for each project, for evaluating the use of funds and advancement in remediation projects. | | | | Q4 | 2023 | Status-reports shall have been submitted by Regional Councils with a description on technical and economic progress, with a notice on deviations from the original application, former years' status-report and subsidy schemes. Due to the variation in local soil conditions, character of the |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | contamination, the clean-up action may differ between sites. The status is submitted for each remediation project in order to follow the technical and financial development of the project. |
| 18 | 2 - Green transition of Agriculture and the Environment - Rehabilitation of industrial sites and contaminated land | Target | The remediation of at least 4 different contaminated sites is initiated. | The remediation of at least 4 different contaminated sites is initiated. | Number | 0 | 4 | Q2 | 2026 | The Regional councils shall have realised tenders for full-scale remediation of at least four sites. The target shall be met when remediation of at least 4 different contaminated sites is initiated. |

## C. COMPONENT 3: ENERGY EFFICIENCY, GREEN HEATING AND CARBON CAPTURE AND STORAGE

This component of the Danish recovery and resilience plan is an important element to reach the ambitious EU Green Deal objectives as well as Denmark's national goal of reducing the greenhouse gas emissions by 70 per cent by 2030 (compared to 1990 level) and to achieve climate neutrality by 2050.

This component aims to increase energy efficiency and green heating in public and private buildings, in industry, as well as to explore carbon capture and storage-storage potential in depleted oil and gas fields under the North Sea, which requires further analyses, testing of injections wells and demonstration of storage possibilities.

The objectives of this component shall be to provide stimulus and investments in energy efficiency measures to support the green transition, strengthen local job creation and ensure coherence and resilience by renovation of the existing building stock. Investments and subsidy schemes in this component shall include energy efficiency measures, conversion of oil and gas burners to sustainable heating sources and renovation of households, industries and public buildings. These shall reduce energy consumption and greenhouse gas emissions.

Investing in energy efficiency measures and the renovation of buildings shall support the construction sector and subcontractors creating jobs in supported businesses.

The component contains subsidy schemes targeted at both public sector buildings with poor energy labels and energy efficiency measures in the industrial sector are expected to support the economic recovery across Denmark. This component shall also promote improvement of public buildings such as day care institutions, and schools. A sub-measure is particularly relevant for households with limited financing opportunities, amongst others. These measures shall support social coherence and resilience by ensuring facilities to deliver high quality public services.

These investments and reforms supports addressing the country-specific recommendations addressed to Denmark last year, on the need to "*to "focus investment on the green […] transition, in particular on […] clean and efficient production and use of energy*" (country-specific recommendation 2, 2020).

### C.1. Description of the reforms and investments for non-repayable financial support

Investment 1: Replacing Oil Burners and Gas Furnaces

The measure aims at phasing oil and natural gas out of the heating system and replaced with electric heat pumps and district heating from renewable sources. The measure shall consist in the provision of subsidies to speed up the phasing out of oil burners and gas furnaces and to reduce the cost to consumers of the conversion to green heating. The support provided by the Danish recovery and resilience plan shall scale up an existing measure. The support scheme for replacing oil burners and gas furnaces shall be distributed into the following three sub-schemes: (1) Sub-scheme for district heating ("*Fjernvarmepuljen*"): shall provide a subsidy to expand district heating grids into new areas; (2) Sub-scheme for decoupling ("*Afkoblingsordningen*"): the Danish state-owned gas distribution company charges a fee to cover the cost of decoupling. With this subsidy scheme, households may be exempted from this fee. (3) Sub-scheme for scrapping ("*Skrotningsordningen*"): shall provide a subsidy for companies that offer heat pumps on subscription for private year-round housing.

Investment 2: Energy efficiency in industry

The initiative aims to speed up energy efficiency measures and transition to green energy in industry and is expected to lead to a reduction in greenhouse gas emissions. It shall scale up an existing national scheme. The scheme targets energy savings in all private businesses and the funds shall be allocated to the applicants after a competitive selection procedure based on a criterion of highest energy savings per subsidy received.

Investment 3: Energy renovations in public buildings

The measure shall support a subsidy scheme that shall target energy savings actions in public buildings. The subsidy shall focus on energy renovations in regional and municipal buildings with the lowest energy performance certificate standards as well as buildings that are heated by oil burners and gas furnaces.

Investment 4: Energy Efficiency in Households

The measure shall target energy savings in private housing by supporting insulation, optimization of the operation of the building or replacement of heating by oil burners and gas furnaces with heat pumps.

Investment 5: Carbon Capture and Storage (CCS) Potential

This measure shall target development and demonstration of the technical and economic feasibility of CO2 storage in depleted oil and gas fields in the Danish part of the North Sea. Further development, testing and demonstration of CO2 storage shall be carried out in order to determine the technical and financial feasibility before any depleted gas and oil fields shall become operational. The support shall not cover investments needed to implement operational CO2 storage facilities but only a feasibility study as described above.

## C.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 19 | 3 - Energy efficiency, green heating and carbon capture and storage - Replacing oil burners and gas furnaces | Milestone | Political agreement has been adopted on the allocation of the funds for the schemes for replacing oil burners and gas furnaces with electric heat pumps and district heating. | A political agreement between the government and a majority of the parliament is concluded and published on the relevant Ministry's webpage. | | | | Q2 | 2021 | The milestone shall be reached when a majority of the Danish parliament has entered an agreement on the allocation of the funds for the support schemes for replacing oil burners and gas furnaces with electric heat pumps and district heating. The relevant procedures in the Parliament have been completed. In the Danish context, political agreements tend to reflect key steps in policymaking even for wide-ranging measures and usually provide a sufficient guarantee that measures shall be implemented. They ensure predictability, stability and efficiency in policy making, committing parties over several parliamentary terms. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | The political agreement shall be on how DKK 645 000 000 is to be distributed among the support schemes to phase out oil burners and gas furnaces that originates from "Energiaftale 2018" and "Klimaaftale for energi og industri mv. 2020".<br><br>The measure shall achieve at least a 30% reduction in primary energy demand at the level of the building. |
| 20 | 3 - Energy efficiency, green heating and carbon capture and storage - Replacing oil burners and gas furnaces | Milestone | Selection of recipients of funds for replacing oil burners and gas furnaces. | Selection of fund recipients completed. | | | | Q1 | 2025 | The milestone shall be reached when the selection of applications for replacing oil burners and gas furnaces has been completed in line with the objectives in milestone 19. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 21 | 3 - Energy efficiency, green heating and carbon capture and storage - Replacing oil burners and gas furnaces | Target | At least 10 100 oil burners or gas furnaces have been replaced with district heating or heat pumps | | Number | 0 | 10 100 | Q2 | 2026 | The target shall be reached when at least 10 100 oil burners and gas furnaces have been replaced with heat pumps or district heating in line with the objectives in milestone 19. |
| 22 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in industry | Milestone | Entry into force of the legal framework for a subsidy scheme for energy efficiency in industry. | The parliament has adopted the legal act setting up the subsidy scheme, published and it has entered into force. | | | | Q3 | 2021 | The milestone shall be reached when the legal framework for a subsidy scheme for energy efficiency in industry has been adopted by the parliament, published and entered into force.<br>The funds shall be allocated on the basis of a competitive selection procedure. |
| 23 | 3 - Energy efficiency, green heating and carbon capture | Milestone | The annual application rounds for the subsidy scheme | Funds are allocated to private-owned production, | | | | Q4 | 2022 | The milestone shall be reached when all application rounds are completed and |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | and storage - Energy efficiency in industry | | to achieve energy savings in the industry are completed. | trade and service companies, including agriculture, horticulture and fishery. Subsidies are distributed to projects that reduces the overall final energy consumption in Danish industry. | | | | | | funds allocated to achieve energy savings in the industry. |
| 24 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in industry | Target | At least 14.42 PJ (Peta Joule) of energy saved in the industry thanks to the energy efficiency scheme. | | Peta Joule (PJ) | 0 | 14.42 | Q4 | 2024 | The target is met when at least 14.42 PJ (Peta Joule) of energy savings, accumulated over the lifetime of the projects, have been achieved thereby contributing to meet the obligation for energy consumption under Energy |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | Efficiency Framework (Article 7). |
| 25 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy renovations in public buildings | Milestone | The government issues statutory order establishing a subsidy scheme for energy renovations in public buildings. | The statutory order is published and shall include the legal framework for model/set-up for the subsidy scheme for energy renovations in public buildings. | | | | Q4 | 2021 | The milestone is reached when the government has published the statutory order. This legal framework shall define the conditions for receiving funding under the subsidy scheme for energy renovations in public buildings, such as maximum grant size or target group. |
| 26 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy renovations in public buildings | Target | Improvement of energy rating for 40% of supported municipal and regional buildings with D-G rating | | (%) | 0 | 40 | Q4 | 2025 | The energy performance certificate of the buildings shall be improved for 40% of the buildings in the least efficient end (D-G) receiving grants from the scheme. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 27 | 3 - Energy efficiency, green heating and carbon capture and storage - CCS-storage potential | Milestone | Award of contracts for selected applicants for the CCS feasibility study | Call for applicants and selection of fund receivers completed. | | | | Q4 | 2021 | The milestone shall be reached when the selection of applicants for the CCS feasibility studies is completed after conducting an open selection procedure. |
| 28 | 3 - Energy efficiency, green heating and carbon capture and storage - CCS-storage potential | Milestone | Completion of feasibility study for CCS-storage. The government takes a decision for follow-up. | Feasibility study completed. | | | | Q4 | 2023 | The feasibility study shall contain results and analyses based on the supported test and demonstration projects on storing CO2 in depleted oil- and gas fields.<br>The government takes a decision for follow-up. |
| 29 | 3 - Energy efficiency, green heating and carbon capture and storage - | Milestone | Selection of beneficiaries of funds for energy renovation in private households. | Selection of fund beneficiaries completed. | | | | Q1 | 2025 | The milestone shall be reached when the managing entity has selected the beneficiaries. The Building Pool shall be split into yearly application rounds to support a broad distribution of funds |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | Energy efficiency in households | | | | | | | | | among private homeowners. The opening of the application rounds shall be announced on the website of the Danish Energy Agency. The subsidy receiver has two years to carry out the energy renovation project, at the completion of which the subsidy is paid out. This shall be to ensure that the funds shall only be allocated for concrete energy renovations.<br><br>In the Building Pool there is a 60/40 condition on the allocation of the subsidy pool stating that at least 60 per cent of the funds must be allocated to projects containing conversion to electric heat pumps. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | On average, the selected projects shall achieve at least 30% primary energy savings. |
| 30 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in households | Target | At least 6 125 energy renovation projects in private households have been completed | | Number | 0 | 6 125 | Q2 | 2026 | The target shall be reached when at least 6 125 energy renovation projects have been completed in line with the objectives outlined in milestone 29. |

## D. COMPONENT 4: GREEN TAX REFORM

Greenhouse gasses from service and industry accounts for approximately one fifth of Denmark's emissions. The Danish recovery plan shall provide funding for an investment scheme, which shall facilitate green and digital investments. This scheme is expected to create clear incentives and make it possible for companies to accelerate the green transformation of production capabilities, reducing their emissions up front and adapt to phase two of the tax reform and a future tax on carbon emissions. This will be followed by raising energy taxes from 2023, redirecting current energy taxes towards CO2-emissions.

The Green Tax Reform is expected to assist Denmark in recovering from the COVID-19 recession, incentives shall be created for companies to invest in green and digital technology. This is expected to lead to an increase in demand and a rise in employment as well as a reduction of greenhouse gas emissions and further the digitalization of the Danish society. The component is expected to lower greenhouse gas emissions by 0.5 megatons by 2030. This shall be achieved by increasing the taxes on industry's process fossil energy. The initial increase in fossil energy taxation shall be directly targeted at the CO2-content of the different fossil fuels before the Green Tax Reform moves to the second phase. To ease companies' transition to clean energy, boost growth potentials, and prepare for a higher carbon tax, the reform also implies an increased tax deduction for companies investing in capacity costs, such as technology. This investment window shall exclude machinery running on fossil fuels to ensure a green transition of industry and compliance with the "Do No Significant Harm" principle. The investment window shall boost the companies' growth potential and job creation, while encouraging companies to invest in new hardware and technology that can reduce emissions in the longer run.

These investments and reforms shall contribute to the country-specific recommendations addressed to Denmark in 2020, on the need to "*[…] promote private investment to foster the economic recovery*" and "*focus investment on the green and digital transition […]* " (country-specific recommendation 2, 2020)

### D.1. Description of the reforms and investments for non-repayable financial support

Investment 1: Investment window

The investment window is expected to boost the companies' growth potential and job creation, while encouraging companies to invest in new hardware and technology that can reduce emissions in the longer run. The tax reform shall consist of temporarily increased tax deduction for companies investing in capacity costs, such as technology and software that may help increasing business operations and at the same time reduce greenhouse gas emissions. The investment window shall not include machinery running on fossil fuels to ensure a green transition of industry and ensure compliance with the "do no significant harm" principle.

Investment 2: Accelerated depreciation

The initiative shall deliver on the recommendations to Denmark in the National Energy and Climate Plan to frontload investments in a green and digital transition, and by ensuring a just transition for the most affected companies with the implementation of a green tax reform. According to current rules, companies' investments in fixed assets (such as machinery, equipment and computer-hardware) with an acquisition price below DKK 14.100 may be depreciated immediately. This lower limit shall be permanently raised to DKK 30.000. An increase in the threshold is expected to work as a short-term stimulus initiative, as it generates additional liquidity for firms in the initial years (where all small investments are depreciated at 100 per cent) but declines over time as future depreciations are reduced (already depreciated in year. After 31 December 2025, the increased limit may result in fiscal losses for Denmark. These losses shall be covered by reducing the overall budget for fiscal expenditures. An increase in the threshold is expected to strengthen the incentive to invest in information and

communications technology, and is expected to help strengthen liquidity among companies that earn profits.

Reform 1: Expert group to prepare proposals for a CO2e-tax

To prepare for the second phase of the Green Tax Reform, an expert group shall be established with the task of drawing the roadmap for the next phase of CO2e taxation in a manner consistent with protecting Denmark's competitiveness, social balance, and minimizing leakage. This shall contribute to a comprehensive tax reform with a higher and harmonised CO2e-tax on all emissions. This is expected to require significant further work, especially with regard to emissions that are not currently subject to tax.

A green tax reform shall lead to significant cost effective reductions of greenhouse gas emissions in a socially just and balanced way.

Reform 2 - Emission taxes on industries

The industry energy taxes on fossils are relatively low, thus increasing these can provide cost-efficient reductions of greenhouse gases. With the implementation of this measure, the Danish government has increased the tax level for emissionsby DKK 6 / GJ/ app. 100 DKK/ton CO2 for industries not covered by the EU ETS and doubled the tax level for emissions for industries covered by the EU ETS by 2026 compared to 2020. This shall raise the fossil energy taxation for all industries equally.

## D.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 31 | 4 - Green Tax Reform - Investment window | Milestone | A political agreement on an investment window has been adopted by the Danish Parliament and the relevant legislative procedures in the Parliament have been launched. | The political agreement on the green tax reform including the investment window is signed and published on the Ministry of Taxation's webpage. | | | | Q4 | 2020 | A majority of the Danish Parliament has entered an agreement on the green tax reform including the investment window. The relevant legislative procedures in the Parliament have been launched.<br><br>In the Danish context, political agreements tend to reflect key steps in policymaking even for wide-ranging measures and usually provide a sufficient guarantee that measures shall be implemented. They ensure predictability, stability and efficiency in policy making, committing parties over several parliamentary terms. |
| 32 | 4 - Green Tax Reform - Investment window | Milestone | The bill on the green tax reform including the investment window is | The law on the green tax reform including the investment window is | | | | Q2 | 2021 | The bill has been adopted by the Danish Parliament and entered into force in April 2021. The |

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| | | | adopted by the Danish parliament and the initiative enters into force. | adopted and enters into force. | | | | | | investment window is effective as from 23 November 2020. |
| 33 | 4 - Green Tax Reform - Investment window | Target | 1 000 companies have used the tax deduction provided by the investment window | | Number | 0 | 1 000 | Q2 | 2024 | The target is met when 1 000 companies have used the tax deduction provided by the investment window. A data extract shall show that minimum 1 000 companies have been using the tax deduction provided by the investment window. All companies shall be eligible to apply for the tax deductions within the specified criteria. |
| 34 | 4 - Green Tax Reform - Accelerated depreciation | Milestone | A political agreement on an accelerated depreciation has been adopted by the Danish Parliament and the relevant legislative procedures in the Parliament | The political agreement on the green tax reform including the accelerated depreciation is signed and published on the Ministry of Taxation's webpage. | | | | Q4 | 2020 | A majority of the Danish Parliament has entered an agreement on the green tax reform including the accelerated depreciation. The relevant legislative procedures in the Parliament have been launched.<br><br>The relevant legislative procedures in the Parliament have been launched. In the Danish context, political agreements tend to reflect key |

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| | | | have been launched. | | | | | | | steps in policymaking even for wide-ranging measures and usually provide a sufficient guarantee that measures shall be implemented. They ensure predictability, stability and efficiency in policy making, committing parties over several parliamentary terms. |
| 35 | 4 - Green Tax Reform - Accelerated depreciation | Milestone | The bill on the green tax reform including the accelerated depreciation is adopted by the Danish parliament and the initiative enters into force | The law on the green tax reform including the accelerated depreciation is adopted and enters into force. | | | | Q2 | 2021 | The Danish parliament shall adopt in April 2021 the bill on the green tax reform, including the accelerated depreciation. The accelerated depreciation shall be applicable to assets purchased on or after 23 November 2020. |
| 36 | 4 - Green Tax Reform - Accelerated depreciation | Target | 1 000 companies have used the tax deduction provided by the accelerated depreciation. | | Number | 0 | 1 000 | Q2 | 2024 | The target is met when 1 000 companies have used the tax deduction provided by the accelerated depreciation. A data extract shall show that minimum 1 000 companies have been using the tax deduction provided by the accelerated depreciation. |

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| 37 | 4 - Green Tax Reform - Expert group to prepare proposals for a CO2e-tax | Milestone | In line with the conclusions of the report by the expert group for a uniform CO2e tax regulation, the government shall convene the parties behind the green tax reform to agree on next steps. | Political parties behind the agreement are convened by the government | | | | Q1 | 2023 | On the basis of the recommendations of the expert group on concrete models for a uniform CO2 e-tax political discussions on the next steps shall be launched. |
| 38 | 4 - Green Tax Reform - Emission taxes on industries | Milestone | A political agreement on an increase in the emissions tax on industry has been adopted by the Danish parliament. | The political agreement on the green tax reform including the increased emissions tax on industry is signed and published on the Ministry of Taxation's webpage. | | | | Q4 | 2021 | A majority of the Danish Parliament has entered an agreement on the green tax reform including the increased emissions tax on industry.<br><br>The relevant legislative procedures in the Parliament have been launched. In the Danish context, political agreements tend to reflect key steps in policymaking even for wide-ranging measures and usually provide a sufficient guarantee that measures shall be implemented. They ensure predictability, stability and |

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| | | | | | | | | | | efficiency in policy making, committing parties over several parliamentary terms. |
| 39 | 4 - Green Tax Reform - Emission taxes on industries | Milestone | Tax increases on emissions from industry enter into force for all industries including agriculture and mineralogical processes. | Tax increases on emissions from industry enter into force. | | | | Q1 | 2025 | The legislation on tax increases on emissions from industry shall enter into force on 1 January 2025. |

## E. COMPONENT 5: SUSTAINABLE ROAD TRANSPORT

The initiatives in this component of the Danish recovery and resilience plan on the green transition of road transport set out measures aiming at contributing to lower greenhouse gas emissions in the road transport sector by 2.1 megatons in 2030. They set forth the ambition of having 1 000 000 zero- or low emission cars on the roads by 2030.

This component shall be composed of four main sub-sets of measures that are expected to accelerate the decarbonisation of the sector.

First, the component includes a set of measures related to lower registration tax for low emission vehicles and scrappage schemes for diesel cars, so as to incentivise more consumers to choose zero and low-emission cars.

Second, a series of studies and tests shall be executed in order to accelerate the decarbonisation of roads (promotion of car-pooling, optimization of heavy haulage transportation, test-scheme for road pricing).

Third, the component shall include investments aiming at expanding the use of bicycles, either through the construction of charging stations or through the construction of cycle paths.

Lastly, the component shall include a measure aiming at subsidizing the purchase of zero or low emission ferries or retrofitting of existing ferries.

These investments and reforms shall contribute to the Country Specific Recommendations addressed to Denmark the last two years, on the need to "Focus investment on the green […] transition, in particular on, sustainable transport". (country-specific recommendations 2, 2020) and "*Focus investment-related economic policy on sustainable transport to tackle road congestion"* (country-specific recommendations 3, 2019).

### E.1. Description of the reforms and investments for non-repayable financial support

Reform 1: Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles

This reform shall be part of the set of measures related to lower registration tax for low emission vehicles. The measure aims to incentivise more consumers to choose zero and low-emission cars. The tax on electricity for zero and low-emission vehicles shall be lowered.

Investment 1: Temporary increase in the scrapping premium for old diesel cars

The initiative aims to reduce the emission of PM2.5 by 17 tonnes and the emission of CO2 by approximately 7 000 tonnes. In order to support the transition from old conventional cars to zero- or low-emission cars (particulate matter, NOx and CO2) the scrapping premium for old diesel cars shall be increased, thus promoting the incentive for households to scrap their old diesel cars in favour of newer, less emitting cars, including zero and low-emission cars. The subsidy scheme shall be initiated to increase the scrapping premium, so owners of diesel cars from before 1 January 2006 shall receive a scrapping premium of DKK 5 000, if they scrap their old diesel car, and their application is approved. The administration set up shall be digital.

Investment 2: Development test of road-pricing

The development test of road pricing shall be initiated in order to explore efficient ways of taxing congestion and the damage and health costs associated with driving. The project management and dissemination of results is expected to be assigned to a University with scientific knowledge in the area of transport economics.

Investment 3: Car sharing and carpooling (awareness)

Information- and behavioural campaigns aimed at informing about the challenges related to 'transport waste' as well as highlighting the benefits for citizens, companies and society at large associated with

car sharing and carpooling shall be initiated. The target groups of the campaigns shall be based on an initial analysis conducted in 2021 by the Danish Ministry of Transport and the Danish Road Directorate. The current expectation is that the target group shall consist of commuters and companies.

Investment 4: Analysis of test scheme with double trailers

An analysis shall be carried out by the Danish Road Directorate and the Danish Road Traffic Authority covering and shall cover the efficiency of the road design, planning and test rides. Based on the analysis it shall be possible to decide which reconstructions can and shall be carried out in order to ensure both traffic safety and traffic flow on the certain road network.

Investment 5: Analysis of the regulation on weight and dimensions to optimise heavy haulage

An analysis concerning the potential of lower emissions through further adjustments of the current regulation on weight and dimensions shall be carried out. Besides estimating the potential reduction in emissions, the analysis shall also estimate financial consequences for the transport sector and the society - such as increased wear and tear on roads.

Investment 6: Scheme to infrastructure for electric bicycles

The measure aims to increase the number of public accessible charging stations for electric bicycles. The investment in infrastructure for bicycles shall contribute to promote the EU Commissions sustainable and smart mobility by urban planning, including of the connectivity with rural and suburban areas, so that commuters are given sustainable mobility options with public accessible charging stations of electric bicycles.

Investment 7: Investments in bike paths in state roads and bicycle subsidy scheme for municipalities

The investment shall support the construction of bicycle infrastructure andsupport access to a more coherent bicycle road network for citizens. In addition, the measure shall support a scheme targeting municipal bicycle infrastructure projects.

Investment 8: Subsidy scheme to green ferries

This measure shall aim at subsidizing the purchase of zero or low emission ferries or retrofitting of existing ferries.

## E.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 41 | 5 - Sustainable Road Transport - Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles | Milestone | Entry into force of legal act to re-prioritise the registration tax of vehicles and low electricity tax on charging electric vehicles | The legal act enters into force | | | | Q1 | 2021 | The milestone shall be reached when the legal act to reduce the registration tax for low- and zero-emission cars, simplify the registration tax to make it dependent only on the car's value and CO2 emissions, and extend the special scheme with low electricity tax to charge electric cars enters into force. |
| 42 | 5 - Sustainable Road Transport - Temporary increase in the scrapping premium for old diesel cars | Target | 36 000 old diesel cars are scrapped due to the raised scrapping premium | | Number | 17 000 | 36 000 | Q1 | 2022 | The target shall be reached when the number of old diesel cars scrapped due to the raised scrapping premium increases to 36 000. In total, 36 000 old diesel cars shall be scrapped if the total fund is used by the end of 2021. Data on the baseline is uncertain but is assessed to be 17 000 diesel cars in 2021. The scheme is therefore expected to |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | give at least 19 000 extra scrapped old diesel cars in 2021.<br><br>The target refers to the number of old diesel cars that are scrapped due to the increased scrapping premium.<br><br>The legal basis of the initiative is the executive order no. 516 of 24 March, 2021. https://www.retsinformation.dk/eli/lta/2021/516" |
| 43 | 5 - Sustainable Road Transport - Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles | Target | At least 259 368 zero- and low emission cars in the Danish car stock. | | Number | 65 000 | 259 368 | Q4 | 2025 | The target shall be reached when stock of zero- and low-emission cars in the Danish car stock is at least 259 368 by 31 December 2025, compared to the 2021 baseline of 65 000. |
| 44 | 5 - Sustainable Road Transport - | Milestone | Political agreement between has | Agreement reached between the | | | | Q4 | 2021 | The political agreement shall be reached on the description of the test-scheme and the |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | Development test of road-pricing | | been adopted by the government and a majority of the parliament on the conduction of the test scheme | government and a majority of the parliament on the conduction of the test scheme. | | | | | | organisation of the test. In this regard, the objective of the agreement shall be to initiate development tests of road pricing in order to explore efficient ways of taxing congestion and the damage and health costs associated with driving.<br><br>No further legal basis shall be needed to initiate the test scheme. |
| 45 | 5 - Sustainable Road Transport - Development test of road-pricing | Milestone | Publication of the results from the test scheme on road-pricing. | A report on the results from the test scheme. | | | | Q1 | 2024 | The results from the test scheme on road-pricing shall be documented in a report. |
| 46 | 5 - Sustainable Road Transport - Analysis of the regulation on weight and dimensions to | Milestone | Publication of a report on the analysis of the national regulation on weight and dimensions. | Publication of report on analysis of the national regulation and on weight and dimensions, | | | | Q4 | 2021 | An analysis regarding the current national regulation on weight and dimensions is published. The analysis shall be based on existing data, and including a cost-benefit analysis of the potential emissions |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | optimise heavy haulage | | | which is expected to help quantifying potential reductions in emissions. | | | | | | reductions and of the potential financial consequences, such as wear and tear on roads. The analysis on national regulation on weight and dimensions shall result in a final report with recommendations, including proposals for amendments to the national regulation with estimated climate effects, description of traffic safety conditions and costs. The report shall propose actions that are compliant with the DNSH requirement |
| 47 | 5 - Sustainable Road Transport - Car sharing and carpooling (awareness) | Target | Information campaigns regarding transportation congestion and car sharing has been exposed at | | Number | 0 | 30 000 000 | Q4 | 2022 | The target shall be reached when the campaign has been exposed 30 000 000 times to a real life person. The same real-life person may be exposed multiple times. The campaign shall contain the following. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | least 30 000 000 times. | | | | | | | 1. In order to inform about problems related to transportation waste, the campaign shall showcase statistics about: time spent in queues on the roads, average number of persons per car on the roads and the derived problems with CO2-emissions.<br><br>2. In order to inform and create awareness on the benefits from car sharing and ride sharing, the campaign shall showcase best practices and the positive effects of car sharing and carpooling (economically, for the climate and the positive social aspect)" |
| 48 | 5 - Sustainable Road Transport - Analysis of test scheme with double trailers | Milestone | Publication of an analysis on double trailers analysing road safety, vehicle | Publication of a report on the findings of the analysis of test | | | | Q4 | 2021 | The analysis on double trailers shall result in the publication of a report with final recommendations, including proposals for a pilot road |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | engineering, road engineering and environmental conditions. | scheme with double trailers. | | | | | | network and estimate of climate effects, road safety conditions and finances, including investments in rebuilding the road network.<br><br>The report shall propose actions that are compliant with the DNSH requirement. |
| 49 | 5 - Sustainable Road Transport - Subsidy scheme to green ferries | Milestone | A political agreement has been adopted among a majority of parties in the Danish Parliament on green transition of ferries. | The government and parliament reach a political agreement on the specific green maritime sector which is signed and published at the relevant ministry's website. | | | | Q2 | 2021 | The government and parliament have reached a political agreement on the subsidy scheme for the green transition of ferries. The subsidy scheme shall co-finance the acquisition of new green ferries, retrofitting existing ferries or charging infrastructure. The beneficiaries shall be municipalities. The subsidy percentage shall be of 15-25%. The following criteria shall be used for the subsidy: The CO2 effect and environmental effect per |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | invested DKK. The funds shall only be used for investments in e.g. new green ferries, retrofit or other necessary infrastructure such as charging stations for the ferries.<br><br>No further legislation is necessary as the political agreement along with finance act 2021 provide the relevant legal basis.<br><br>In the Danish context, political agreements tend to reflect key steps in policymaking even for wide-ranging measures and usually provide a sufficient guarantee that measures shall be implemented. They ensure predictability, stability and efficiency in policy making, committing parties over several parliamentary terms. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 51 | 5 - Sustainable Road Transport - Investments in bike paths in state roads and bicycle subsidy scheme for municipalities | Target | The construction of at least 45 km of new bike paths has been initiated. | | Number of km | 0 | 45 | Q4 | 2024 | The construction of the bike paths projects shall be initiated and the target is met when the Ministry of Transport has granted funds to the construction of at least 45 km of new bike paths. The beneficiaries shall be municipalities. The projects shall be the construction of new cycle paths. The projects shall also improve traffic safety on state roads for soft road users and close gaps between cities, educational institutions and public transport. |
| 52 | 5 - Sustainable Road Transport - Investments in bike paths in state roads and bicycle subsidy scheme for municipalities | Target | 40 % of supported projects have been completed | | Number | 0 | 150 | Q4 | 2025 | The target is met when 40% of the projects in the framework of the subsidy scheme have been completed. Knowledge and innovation projects, which may include but are not limited to smaller research and analysis projects providing new |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | knowledge in the field of cycling, may also be financed by the pool, provided their amount does not exceed 10% of the total pool. |
| 53 | 5 - Sustainable Road Transport - Scheme to infrastructure for electric bicycles | Target | At least 75 bike charging stations have been built | | Number | 0 | 75 | Q4 | 2024 | At least 75 bike charging stations shall have been built with funding from the scheme to infrastructure for electric bicycles. |

## F. COMPONENT 6: DIGITALISATION

The aim of this component of the Danish recovery and resilience plan is to promote a digital transformation across all sectors of society advancing welfare and equality, growth and employment, the green transition and prepare the public administration for the emerging challenges in this area.

The digitalisation reforms and investments planned under this component shall contribute to the digital transition of the economy and society, and shall have a positive spill-over effects on several areas. By modernising the digital infrastructure of the country, people and businesses shall get better access to the public sector. In addition, these measures shall strengthen the institutional capacity and resiliency of public administration through the adoption of digital technologies. Digitisation efforts shall contribute to promote smart, sustainable and inclusive growth and to increase productivity which has been a key challenge for the country. Extending very high-speed rural broadband coverage to rural areas has the potential to link new SMEs into the economy thereby enhancing social and territorial cohesion. The aim of the new "Digital Strategy" is to promote a just and inclusive digital transition that shall support better welfare service and social cohesion through education and enhancing digital skills and competencies.

These investments and reforms shall contribute to the country-specific recommendations addressed to Denmark last year, on the need to "*focus investment on the […] digital transition*" (CSR 2, 2020) and possibly on the need to "*Focus investment-related economic policy on education and skills*" (country-specific recommendation1, 2019).

### F.1. Description of the reforms and investments for non-repayable financial support

Reform 1: Digital strategy

The Danish government shall establish an expert group called "digitalisation partnership", consisting of the main stakeholders of the industry (including business representatives, experts). This expert group shall analyse the main digital challenges for Denmark and shall make recommendations on policy, reform and investments. Based on these recommendations and following political negotiations, the government shall adopt the new Digital Strategy in the Finance Act 2022.

The new digital strategy shall consist of five sub-reforms with the following objectives:

I. **Sub-reform 1 – Strategy for the digital public sector and services of the future:** Creating the digital public sector of the future. This shall be achieved by a continuous modernisation of the digital infrastructure meeting the needs of all citizens and businesses while strengthening connectivity.

II. **Sub-reform 2 – Strategy for the digital professions and jobs of the future:** Securing the digital professions and jobs of the future and supporting growth and export of goods and services by strengthening digitalisation within business and industry.

III. **Sub-reform 3 – Framework for innovation, public-private partnerships and use of new technology:** Creating better opportunities for co-creation and innovation. This shall be done by using new technologies in cooperation with private entities to streamline and improve public digital services, accelerate digital transition of businesses, and support climate change mitigation.

IV. **Sub-reform 4 – Framework for a data-driven society:** Creating a data-driven society and improving the digitalisation of SMEs, health systems and digital services by promoting better access to data, secure and interoperable data infrastructures, and a digital-ready regulatory framework.

V. **Sub-reform 5 – Framework for Denmark fit for a digital future:** Creating a framework for Denmark fit for a digital future whilst preserving the best of our society, such as enhancing

the cyber- and information security, digital skills and competencies benefitting all citizens, businesses and employees.

Investment 1: SME's digital transition and trade

This investment shall prolong an existing scheme, *SME:Digital*, which shall provide subsidies for small- and medium-sized enterprises to digitalise their business. The scaling up of the scheme aims to be particularly important in the context of the economic recovery as it is particularly important to support small- and medium-sized enterprises that have been the most affected by the crisis.

Small and medium-sized enterprises may apply for grants on the condition that their projects shall increase their use of technology and contribute to growth of the enterprise. The grant scheme is open for applications several times each year, where applications are assessed on a first-come, first-served basis. A maximum grant of DKK 100.000 per company is foreseen.

Investment 2: Broadband pool

This investment shall prolong an existing scheme, *Bredbåndspuljen*, which shall roll out very high-speed internet access (minimum 100 Mbps) in rural areas of Denmark where existing coverage is poor due to lack of sufficient market incentives. The scheme shall be an applicant-based funding scheme for households and business.

## F.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 54 | 6 - Digitalisation - Digital strategy | Milestone | Adoption of a new “Digital Strategy” in the Finance Act 2022 and of the implementation plan. | The Danish government finalises negotiations with political parties in order to adopt a final that shall be implemented in the Finance Act for 2022 and a corresponding implementation plan. | | | | Q1 | 2022 | 1) Building upon the recommendations of the “Digital Partnership”, and following negotiations with political parties to adopt a final strategy, initiatives with costs are incorporated in the Finance Act 2022. 2) The strategy shall address the main challenges identified by the Digital Partnership. The objectives of the “Digital strategy” shall be as follows: 1. Creating the digital public sector of the future by continuous modernisation of the digital infrastructure meeting the needs of all citizens and businesses and strengthening connectivity. 2. Securing the digital professions and jobs of the future by strengthening digitalisation within business and industry |

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| | | | | | | | | | | supporting growth and trade in goods and services. 3. Creating better opportunities for co-creation and innovation by using new technologies and public-private partnerships to streamline and improve public digital services, accelerate digital transition of businesses, and support climate change mitigation. 4. Creating a data-driven society by promoting better access to data, secure and interoperable data infrastructures, and digital-ready regulatory framework to improve the digitalisation of SMEs, health systems and digital services. 5. Creating a framework for Denmark fit for a digital future whilst preserving the best of the society by enhancing cyber- and information security, digital skills and competencies benefitting all citizens, businesses and employees 3) The Ministry for Finance shall provide an "implementation plan". This shall include a list of |

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| | | | | | | | | | | measures agreed under the new digital strategy to achieve the five objectives, including detailed descriptions on concrete initiatives, target groups, financing and costs in accordance with EU Regulation 241/2021. The implementation plan shall also include the budget allocation among the different objectives, the responsible ministries/agencies and a list of relevant regulatory and legislative acts that need to be changed. |
| 56 | 6 - Digitalisation - Digital strategy | Milestone | Independent report on the achievements of the digital strategy initiatives included in the "Implementation Plan" referred to in milestone 54 | An independent report on the achievements of the digital strategy initiatives included in the "Implementation Plan" referred to in milestone 54 is carried out and published on the website of the relevant ministry. | | | | Q4 | 2025 | The measures as specified in the "Implementation Plan" referred to in milestone 54, have entered into force. Following this, publication of an independently drafted report on the achievements of the objectives and targets, completion of the individual measures, their estimated impact and an ex-post evaluation. |

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| 57 | 6 - Digitalisation - Strategy for the digital public sector and services of the future (Sub-reform 1) | Target | At least 7 public authorities have received funding for AI projects | | Number | 0 | 7 | Q4 | 2025 | The target is achieved when at least seven public authorities on either central, municipal and/or regional level have received funding for AI projects as part of the new digital strategy. |
| 58 | 6 - Digitalisation - Strategy for the digital professions and jobs of the future (Sub-reform 2) | Target | At least 500 SME's have received funding for digital projects | | Number | 0 | 500 | Q4 | 2025 | The target shall be reached when at least 500 SMEs have received help or funding to promote small and medium-sized enterprises' access to and use of digital solutions through the new digital strategy. |
| 59 | 6 - Digitalisation - Framework for innovation, public-private partnerships and use of new technology (Sub-reform 3) | Target | At least 15 public authorities have received funding for innovation and new technology projects carried out in collaboration with a private entity | | Number | 0 | 15 | Q4 | 2025 | The target is achieved when at least 15 public authorities have received funding for innovation and new technology projects carried out in collaboration with a private entity. |
| 60 | 6 - Digitalisation - Framework for data-driven | Target | At least 4 public institutions have developed or received support | | Number | 0 | 4 | Q4 | 2025 | The target is achieved when at least 4 public institutions have developed or received support to develop solutions to store |

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| | society (Sub-reform 4) | | to develop solutions to store and reuse personal information | | | | | | | and reuse personal information.<br><br>Public institution is defined as any entity established or controlled by the national government, region, or a municipality, including but not limited to an institution of higher education or a public higher education research institution. |
| 61 | 6 - Digitalisation - Framework for Denmark fit for a digital future (Sub-reform 5) | Milestone | Adoption of a new National Cybersecurity strategy | The government adopts a new National Cybersecurity strategy | | | | Q4 | 2022 | A prerequisite for the digital development in Denmark is a sustained strong focus on cyber security. The target shall be reached when Denmark has adopted a new cyber and information security strategy with the overall aim of strengthening and securing the public and private sector against new areas of attack and potential vulnerabilities and thereby help to safeguard the Danish society also in the future. |
| 62 | 6 - Digitalisation - Broadband pool | Target | At least 3 500 households and/or | | Number | 0 | 3 500 | Q1 | 2022 | The target shall be reached when at least 3 500 households and/or businesses covered |

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| | | | businesses covered with very high speed internet (at least 100 Mbps connection). | | | | | | | with very high speed internet (at least 100 Mbps connection) that did not have such connection before. |
| 63 | 6 - Digitalisation - SME's digital transition and trade | Target | At least 550 SMEs have received funding for digital projects | | Number | 0 | 550 | Q4 | 2023 | The target shall be reached when at least 550 SMEs have received funding for digital projects in line with the eligibility criteria of the scheme. |

## G. COMPONENT 7: INVESTING IN GREEN RESEARCH AND DEVELOPMENT

The overarching objective of the component "Investing in Green Research and Development" of the Danish recovery and resilience plan shall be to tackle the challenges to meeting Denmark's targets to reduce greenhouse gas emissions by 70% by 2030 and to reach climate neutrality in 2050. To reach these targets, the Danish plan shall include investments that are needed in research and development to complement existing climate policies.

The measures in the component aim to provide the public and private sectors with incentives to boost research and development, particularly in innovative green technologies. The objectives of the component shall be to create long-term growth potential, frontload the green transition by investing in new green technologies and diversify research by encouraging private and public entities to collaborate.

The component shall consist of a research programme, structured in four investments, and one reform to deduce taxes for private research and development expenses in 2022.

The research programme shall be structured in at least four public-private partnerships, called "green partnerships", to develop solutions to four mission-based challenges of reducing emissions in the transport, agriculture, food and waste sectors.

The beneficiaries shall be able to apply for funding for projects along the value chain as well as demonstration and development projects. The funding is intended to cover the first five years of research costs and shall be complemented by other funding sources outside the Recovery and Resilience Facility at a later stage.

The research programme shall be managed by *Innovation Fund Denmark,* which is an independent body within the public administration. The selection of the beneficiaries shall take place in a two-phased call process. First, interested actors shall develop a roadmap to propose ideas for work streams and activities to overcome the challenges Denmark is facing as regards research and development. A panel of experts shall help Innovation Fund Denmark to select a roadmap for each mission by 30 June 2021.

When the roadmaps have been selected, Innovation Fund Denmark shall announce a call for partnerships. The selection of partnerships shall be based on an evaluation process managed by Innovation Fund Denmark. There may be more than one partnership within each mission. Innovation Fund Denmark shall select the partnerships by 31 December 2021. The funding shall be disbursed to the green partnership by 31 December 2022.

To further boost the green transition and encouraging enterprises to invest in innovative research and development solutions, the component also contains a measure to extend the basis for depreciation and deduction of research and development expenses in private companies. The goal of this measure is to incentivise companies to increase their overall spending in research and development, including encouraging smaller firms to engage in research in development. Based on historical data, the Danish government expects that 40% of the investments in research and development shall be made in clearly digital measures.

These investments and reforms shall contribute to the country specific recommendations addressed to Denmark in 2020 and 2019, i.e. *"Support an integrated innovation strategy with a broader investment base"* (country-specific recommendations 1.2, 2019 and CSR 2.6, 2020) and "*Focus investments on the green transition"* (country-specific recommendations 2.3, 2020) and "*Focus investment on research and innovation"* (country-specific recommendations 2.5, 2020).

### G.1. Description of the reforms and investments for non-repayable financial support

Investment 1: Carbon capture and storage or use of CO2

The investment "carbon capture and storage or use of CO2" is the first of the four missions of the research programme to accelerate the development of climate-friendly technology solutions.

The objectives of the partnerships under this mission shall be to develop cost-effective CO2 capture solutions from the largest emitters or from the atmosphere and store carbon or use it in new climate neutral energy sources. To achieve these objectives, the partnerships shall create economic incentives to use carbon capture and storage or use of CO2 and strengthen the research in the geological preconditions for storing CO2 in Denmark, developing the material to capture carbon, and developing methods of analysis that may monitor and prevent leakage.

In its review of applications for this mission, Innovation Fund Denmark is expected to take into account the relation with the development and demonstration project of CO2 storage sites in depleted oil and gas fields in the Danish sector of North Sea that are initiated in component 2.3 on "Energy efficiency, green heating and Carbon Capture and Storage", to avoid any overlaps.

Investment 2: Green fuels for transport and industry

The investment "green fuels for transport and industry" is the second of the four missions of the research programme to accelerate the development of climate-friendly technology solutions.

The objective of this mission shall be to develop new solutions to create new green fuels, including green hydrogen, and demonstrate how Power-to-X systems may be integrated in the overall energy system. Investing in targeted research-, development and demonstration efforts to bring currently costly green fuels to a level of technological maturity is expected to facilitate commercial use and deployment of such technologies at a larger scale.

Investment 3: Climate- and environment friendly agriculture and food production

The investment "climate- and environment friendly agriculture and food production" is the third of the four missions of the research programme to accelerate the development of climate-friendly technology solutions.

The objective of this mission shall be to increase investments in new technology to further push the boundaries of reducing emissions in the agriculture and food sectors, while maintaining a sustainable production and earnings. The type of activities that shall be funded shall include research and innovation in new breeding techniques, development of precision agriculture and the establishment of new cultivation and fertilisation systems that are more efficient.

Investment 4: Circular economy focusing on reuse and reduction of plastic and textile waste

The investment "circular economy focusing on reuse and reduction of plastic and textile waste" is the fourth of the four missions of the research programme to accelerate the development of climate-friendly technology solutions.

The objective of this mission shall be to develop solutions to increase resource productivity, decrease plastic and textile waste and increase the use of reusable materials. The mission shall fund research projects to address all steps in the value chain in order to reduce waste, ranging from product design to consumer behaviour.

Investment 5: Incentives to boost R&D in companies

The measure consists of extending the basis for depreciation and the basis for deduction all private sector research and development expenses by 130% of in the financial year of 2022. The law establishing the deduction shall be adopted and shall have effect in the financial year of 2022.

The objective of this measure shall be to frontload investments in research and development, both in the context of the recovery and in the coming years by incentivizing companies to increase their overall research and development spending.

The deduction is also expected to encourage smaller firms to increasingly engage in research and development, since they qualify for the deduction as well.

Research and development related to exploration and extraction of fossil fuels and raw materials shall not qualify for the tax deduction.

## G.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 64 | 7 - Research in green solutions: Carbon capture and storage or use of CO2 | Milestone | Selection of mission roadmaps for 'carbon capture and storage or use of CO2'. | Innovation Fund Denmark has selected the roadmaps for the mission 'carbon capture and storage or use of CO2'. | | | | Q3 | 2021 | Innovation Fund Denmark has selected the roadmaps to propose ideas for work streams and activities to overcome challenges that Denmark is facing in regard to research and development, for the mission for 'carbon capture and storage or use of CO2' on the basis of an open call. |
| 65 | 7 - Research in green solutions: Carbon capture and storage or use of CO2 | Target | Selection of partnerships for 'carbon capture and storage or use of CO2'. | | Number | 0 | 1 | Q1 | 2022 | Innovation Fund Denmark has selected one or more public-private partnerships for the mission for 'carbon capture and storage or use of CO2' on the basis of an open call following the selection of roadmaps referred to in milestone 64. The terms of reference of the open call for proposals shall include eligibility criteria that ensure |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. |
| 66 | 7 - Research in green solutions: Carbon capture and storage or use of CO2 | Target | At least one research and innovation partnership(s) has received funding on 'carbon capture and storage or use of CO2' | | Number | 0 | 1 | Q4 | 2022 | At least one public-private partnership on 'carbon capture and storage or use of CO2' with participation of relevant public and private partners has been established and has received funding from Innovation Fund Denmark. |
| 67 | 7 - Research in green solutions: Green fuels for | Milestone | Selection of mission roadmaps for 'green fuels | Innovation Fund Denmark has selected the roadmaps for the | | | | Q3 | 2021 | Innovation Fund Denmark has selected the roadmaps to propose ideas for work streams and activities to |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | transport and industry | | for transport and industry’. | mission 'green fuels for transport and industry'. | | | | | | overcome challenges that Denmark is facing in regard to research and development, for the mission for ‘green fuels for transport and industry’ on the basis of an open call. |
| 68 | 7 - Research in green solutions: Green fuels for transport and industry | Target | Selection of partnerships for ‘green fuels for transport and industry'. | | Number | 0 | 1 | Q1 | 2022 | Innovation Fund Denmark has selected one or more public-private partnerships for the mission for 'carbon capture and storage or use of CO2' on the basis of an open call following the selection of roadmaps referred to in milestone 67.<br><br>The terms of reference of the open call for proposals shall include eligibility criteria that ensure that the selected projects comply with the ‘Do no significant harm’ Technical Guidance (2021/C58/01) |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. |
| 69 | 7 - Research in green solutions: Green fuels for transport and industry | Target | At least one research and innovation partnership(s) has received funding on ‘green fuels for transport and industry'. | | Number | 0 | 1 | Q4 | 2022 | At least one public-private partnership on 'carbon capture and storage or use of CO2' with participation of relevant public and private partners has been established and has received funding from Innovation Fund Denmark. |
| 70 | 7 - Research in green solutions: Climate- and environment friendly agriculture and food production | Milestone | Selection of mission roadmaps for ‘climate- and environment friendly agriculture and food production’. | Innovation Fund Denmark has selected the roadmaps for the mission ‘climate- and environment friendly agriculture and food production’. | | | | Q3 | 2021 | Innovation Fund Denmark has selected the roadmaps to propose ideas for work streams and activities to overcome challenges that Denmark is facing in regard to research and development for the mission for ‘climate- and environment friendly |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | agriculture and food production' on the basis of an open call. |
| 71 | 7 - Research in green solutions: Climate- and environment friendly agriculture and food production | Target | Selection of partnerships for 'climate- and environment friendly agriculture and food production'. | | Number | 0 | 1 | Q1 | 2022 | Innovation Fund Denmark has selected one or more public-private partnerships for the mission for 'climate- and environment friendly agriculture and food production' on the basis of an open call following the selection of roadmaps referred to in milestone 70.<br><br>The terms of reference of the open call for proposals shall include eligibility criteria that ensure that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | requirement of compliance with the relevant EU and national environmental legislation. |
| 72 | 7 - Research in green solutions: Climate- and environment friendly agriculture and food production. | Target | At least one research and innovation partnership(s) has received funding on 'climate- and environment friendly agriculture and food production'. | | Number | 0 | 1 | Q4 | 2022 | At least one public-private partnership on 'climate- and environment friendly agriculture and food production' with participation of relevant public and private partners has been established and has received funding from Innovation Fund Denmark. |
| 73 | 7 - Research in green solutions: Circular economy focusing on reuse and reduction of plastic and textile waste. | Milestone | Selection of mission roadmaps for 'circular economy focusing on reuse and reduction of plastic and textile waste'. | Innovation Fund Denmark has selected the roadmaps for the mission 'carbon capture and storage or use of CO2'. | | | | Q3 | 2021 | Innovation Fund Denmark has selected the roadmaps to propose ideas for work streams and activities to overcome challenges that Denmark is facing in regard to research and development for the mission for 'circular economy focusing on reuse |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | and reduction of plastic and textile waste' on the basis of an open call. |
| 74 | 7 - Research in green solutions: Circular economy focusing on reuse and reduction of plastic and textile waste. | Target | Selection of partnerships for 'circular economy focusing on reuse and reduction of plastic and textile waste'. | | Number | 0 | 1 | Q1 | 2022 | Innovation Fund Denmark has selected one or more public-private partnerships for the mission for 'circular economy focusing on reuse and reduction of plastic and textile waste' on the basis of an open call following the selection of roadmaps referred to in milestone 73.<br>The terms of reference of the open call for proposals shall include eligibility criteria that ensure that the selected projects comply with the 'Do no significant harm' Technical Guidance (2021/C58/01) through the use of an exclusion list and the |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | requirement of compliance with the relevant EU and national environmental legislation. |
| 75 | 7 - Research in green solutions: Circular economy focusing on reuse and reduction of plastic and textile waste. | Target | At least one research and innovation partnership(s) has received funding on 'circular economy focusing on reuse and reduction of plastic and textile waste'. | | Number | 0 | 1 | Q4 | 2022 | At least one public-private partnership on 'circular economy focusing on reuse and reduction of plastic and textile waste' with participation of relevant public and private partners has been established and has received funding from Innovation Fund Denmark. |
| 76 | 7 - Green Research and Development - Incentives to boost R&D in companies | Milestone | The bill on deductions for research and development work enters into force | The bill on deductions for research and development work has been adopted by the Danish | | | | Q2 | 2021 | The bill on deductions for research and development work has been adopted by the Danish parliament and entered into force.<br><br>The measure shall extend the basis for depreciation and the |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
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| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | parliament and enters into force. | | | | | | basis for deduction for all private sector research and development expenses by 130% of in the financial year of 2022.<br><br>The deductions for research and development work shall be effective as from the date according to the law. |
| 77 | 7 - Green Research and Development - Incentives to boost R&D in companies | Target | 500 firms have used the tax deduction provided by the deductions for research and development work | | Number | 0 | 500 | Q3 | 2023 | Data extract showing that 500 firms have been using the deduction for research and development work. |

## H. COMPONENT 8: REPOWEREU

The REPowerEU chapter of the Danish RRP is structured around five main measures and aims at strengthening Denmark's energy sector and at reducing dependency on fossil fuels.

This chapter of the Danish Recovery and Resilience Plan is expected to contribute to the achievement of the ambitious EU Green Deal objectives, as well as of the national goal of reducing by 70% Denmark's greenhouse gas emissions by 2030 (compared to 1990 level). The chapter contributes to advancing Denmark's plan to achieve climate neutrality by 2045. The initiatives under this chapter complement and strengthen some of the measures included in the original Danish RRP.

The objectives of the REPowerEU chapter are:

- To boost energy efficiency by i) simplifying and expediting administrative and permitting procedures for the roll-out of district heating projects, and ii) subsidising the replacement of oil burners and gas furnaces with green heating solutions from renewable sources;
- To increase the share and accelerate the deployment of renewable energy by i) simplifying and accelerating permitting for renewables projects, ii) fostering the development of offshore wind capacity;
- To address energy poverty by subsidising the installation of green heating solutions and by streamlining the procedures for such installations; and
- To equip the workforce with the skills and competences needed for the achievement of the energy and climate objectives by supporting green upskilling initiatives.

Three of the five measures under the chapter are characterised by a cross-border and multi-country dimension or effect. The measures on renewable energy and on replacing oil burners and gas furnaces, are expected to contribute to decreasing the Union's dependency on fossil fuels, to securing energy supply in the Union and to positively improving the demand-supply balance with potential cross-border effects.

The REPowerEU chapter contributes in particular to addressing the country-specific recommendations (CSRs) 2022.1, 2022.4 and 2023.4:

- CSR 2022.1.2: Recommendation to expand public investment for the green and digital transitions, and for energy security taking into account the REPowerEU initiative, including by making use of the Recovery and Resilience Facility and other Union funds;
- CSR 2022.4.1 and CSR 2023.4.1 and 2: Recommendation to reduce overall reliance on fossil fuels and further diversify energy supply;
- CSR 2022.4.2 and CSR 2023.4.4: Recommendation to help decarbonise the economy by accelerating the deployment of renewables, including by introducing reforms to simplify and expedite administrative and permitting procedures, upgrading energy transmission networks, increasing interconnections with neighbouring countries and improving energy efficiency;
- CSR 2022.4.4: Recommendation to improve energy efficiency; and
- CSR 2023.4.6 and 7: Recommendation on ensuring a better roll-out of decarbonised heating sources and to step up policy efforts aimed at the provision and acquisition of the skills needed for the green transition.

It is expected that no measure in this component does significant harm to environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852, taking into account the description of the measures and the mitigating steps set out in the recovery and resilience plan in accordance with the DNSH Technical Guidance (2021/C58/01).

## H.1. Description of the reforms and investments for non-repayable financial support

Reform 1: National Energy Crisis Staff (NEKST)

The Danish government shall establish a national energy crisis taskforce (NEKST) that shall be tasked with driving a reform agenda by identifying issues, proposing and implementing solutions and coordinating actions to address challenges in implementing the green transition. The actions are expected to contribute to simplifying and expediting administrative and permitting procedures for the roll-out of green heating solutions and the deployment of solar and onshore wind energy projects. NEKST shall be mandated to act upon its findings without the need for additional political involvement, including by eliminating or changing proceedings of local, regional and national administrations, unless these findings have legislative consequences or budgetary impact. In the latter case, NEKST shall be mandated to instigate relevant political action. The task force shall be assisted by a secretariat, placed under the responsibility of the Ministry of Climate, Energy and Utilities. NEKST shall focus on cross-cutting coordination involving relevant authorities and experts in order to act quickly and operationally. The task force shall be supported by sub-groups composed of stakeholders of the specific issues on which each group shall focus.

I. **Sub-reform 1:** NEKST shall support the phasing out of gas for heating and contribute to replacing it with renewable energy sources. This sub-reform 1 is two-fold:

   Sub-reform 1a: NEKST shall examine specific measures to remove barriers and shorten the administrative processes for preparation and approval of district heating projects

   Sub-reform 1b: For areas where district heating is not economically viable, NEKST shall ensure that citizens receive relevant information on green solutions to phase out gas for heating in households. NEKST shall identify barriers for conversion to other green heating solutions.

II. **Sub-reform 2**: NEKST shall identify and remove barriers to the upscaling of solar and wind energy on land. This includes, though not exhaustively, the shortening of permit-granting process time, the division of tasks between state and municipal authorities, the efficiency of rules in place, effectiveness of resources and competences available to the relevant authorities.

Investment 1: Supporting the deployment of wind energy

This investment consists of two sub-measures. The overall objective is to support the deployment of wind energy and to contribute to achieving the EU's target of 300 GigaWatt (GW) of offshore wind energy in Europe by 2050.

I. **Sub-measure 1**: Preparations for 4 Gigawatt (GW) offshore wind energy expansion. The measure is expected to facilitate the expansion of Denmark's offshore wind energy generation. It shall cover the costs for the preparation of a call for tenders for 4 GW offshore wind energy and the publication of at least one call. Due to the magnitude of the call and the uncertain market reaction, there could be a need for more than one round of call for tenders. In this case, the deadline of the milestone covers the first round of the call. The measure shall be implemented by the Danish Energy Agency.

II. **Sub-measure 2**: Screening of Denmark's offshore wind capacity: The measure is expected to support the expansion of Denmark's offshore wind generation. The measure shall be implemented by a working group under the Danish Energy Agency. The measure shall aim at, among others, realising an in-depth screening and assessment of the national offshore wind potential, collecting data to support planning and deployment of offshore wind energy projects, assessing possible cumulative effects from large-scale expansion of offshore wind energy generation in Denmark, as well as in neighbouring countries.

Investment 2: Green upskilling

The objective of the measure is to improve the conditions for the green upskilling of the labour force, where green upskilling is the development of skills and knowledge related to green technologies and sustainability. The investment shall target providers of vocational education and training and of adult vocational training. The funds shall be used i) to purchase equipment contributing to the development of skills and knowledge related to green technologies and sustainability, ii) to develop teachers' skills related to green technologies and sustainability, iii) to develop and test training courses contributing to green upskilling.

Investment 3: Scaled-up measure: Replacing oil burners and gas furnaces

The objective of this measure is to scale up investment 1: Replacing oil burners and gas surfaces under Component 3 of the existing Danish RRP. The scaled-up part of the measures shall increase the ambition in the current measure by targeting a higher number of oil burners and gas furnaces to be replaced by heat pumps or district heating from renewable sources.

Investment 4: Scaled-up measure: Energy Efficiency in Industry

The objective of this measure is to scale up investment 2: Energy efficiency in industry under Component 3 of the existing Danish RRP. The scaled-up part of the measure shall increase the ambition in the current measure by targeting a higher number of PJ (Peta-Joule) saved.

## H.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 78 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Milestone | Incorporation of "NEKST" in the Finance Acts for the years 2023 and 2024 and publication of the progress report. | NEKST incorporated in the Finance Acts for 2023 and 2024. Progress report published by the Ministry of Climate, Energy and Utilities | | | | Q2 | 2024 | Building upon the Government Coalition Agreement from 14 December 2022 to establish "NEKST", the initiatives to set up NEKST shall be incorporated in the Finance Acts for 2023 and 2024 respectively.<br><br>The Ministry of Climate, Energy and Utilities shall deliver a progress report to the Government on the NEKST working groups 1 and 2. This progress report shall inform on the progress achieved by NEKST, including descriptions of concrete initiatives and administrative actions recommended and taken. The progress report shall also include the information about |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | identified needs for regulatory or legislative action. |
| 79 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Target | Implementation of measures recommended by NEKST | | % | 0 | 70 | Q2 | 2026 | At least 70% of measures recommended by NEKST within the area of administrative procedures regarding permitting in the context of working groups 1 and 2 have been implemented and documented in a report published by the Ministry of Climate, Energy and Utilities. The report shall set out how the objectives of NEKST have been reached. It shall outline completion of the individual measures, their impact, and the achieved shortening of procedures. The report shall also include information about how the competent bodies including Government and Parliament have followed up |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | on non-implemented recommendations that required legislative action. The recommendations issued by NEKST that require legislative actions, including changes to the Finance Act, presented to government may be subject to government revision and subsequent approval before their implementation. |
| 80 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Target | Municipalities have approved project proposals for district heating that phases out gas. | | Municipalities | 0 | 50 | Q2 | 2026 | At least 50 of the 84 municipalities which provided gas for heating in 2022 shall each have approved at least one project proposal for district heating that phases out gas. The project proposals shall be published on the central data platform "Plandata.dk". The project proposals shall contain information about the specific |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | areas that will be converted to district heating. |
| 81 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Target | Removal of systemic barriers for solar energy on land and onshore wind | | Systemic barriers removed | 0 | 10 | Q2 | 2026 | Of the overall target of ten systemic barriers to be removed, at least five systemic barriers to the installation of solar energy on land have been removed, and at least five systemic barriers to the installation of onshore wind energy have been removed. If one removal of a systemic barrier applies to both solar energy on land and onshore wind installations, it shall be counted for each of the respective sub-targets. |
| 82 | 8 – REPowerEU – Preparations for 4 Gigawatt (GW) offshore wind | Milestone | Preparation and publication of a call for tender | At least one call for tender for 4 GW offshore | | | | Q1 | 2026 | Preparation and publication of at least one call for tender for 4 GW offshore wind. Preparatory work includes analytical, technical, and legal |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | for 4 GW offshore wind | wind prepared and published | | | | | | work for preparing the tender, market dialogue, and the tender procedure. |
| 83 | 8 – REPowerEU – Screening of Denmark's offshore wind capacity | Milestone | Publication of a report | Report on the potential offshore wind capacity in Denmark published by the Danish Energy Agency | | | | Q2 | 2026 | The Danish Energy Agency shall publish a report on the potential offshore wind capacity in Denmark which shall take into consideration nature, environmental and other offshore related interests.<br><br>The report shall be split into four sub assignments:<br><br>- sensitivity mapping of aspects related to nature and environment as well as other significant offshore interests of relevance to the expansion of offshore wind;<br><br>- a technical in-depth screening and assessment of |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | the full offshore wind potential based on the sensitivity mapping and relevant technical parameters;<br><br>- an assessment of possible cumulative effects from large scale expansion of offshore wind in Denmark as well as in neighbouring countries; and<br><br>- an assessment of barriers and prospects related to co-existence between offshore wind and other interests |
| 86 | 8 – REPowerEU – Green upskilling | Milestone | Practical implementation of the green upskilling funds | Conclusion of an agreement for the practical implementation of the green upskilling funds between the government and | | | | Q4 | 2024 | The milestone shall be reached with the conclusion of an agreement on the practical implementation of the funds for green upskilling between the government and the parties to the political agreement on the green tax |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | the parties to the political agreement on the green tax reform from 24 June 2022 | | | | | | reform for industry from 24 June 2022. The agreement on the practical implementation of the funds shall include a budget commitment of at least DKK 207 800 000 and set out that the funds shall be used for:<br><br>1. equipment investments, including a description of how the equipment investments are expected to contribute to the development of skills and knowledge related to green technologies and sustainability;<br>2. skills development of teachers, including a description of how teacher training relates to courses dedicated to green technologies and sustainability; |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | 3. the development and testing of training courses, including a description of how these courses contribute to green upskilling and of how teachers or instructors competent in the subject in the school (s) or institution (s) are to be involved in the development and testing process. |
| 87 | 8 – REPowerEU – Green upskilling | Milestone | Commitments made towards VET providers for green upskilling | Notification of the award of grants to providers of vocational education and training and adult vocational training | | | | Q2 | 2026 | Notification of the award of grants to providers of vocational education and training and adult vocational training by the Ministry of Education and Children. At least DKK 207 800 000 in grants have been awarded to the providers in order to carry out green upskilling activities compliant with the objectives described in milestone 86, in |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | | | | | | | | line with grant decisions awarded. |
| 88 | 8 – REPowerEU – Green upskilling | Target | Disbursements made towards VET providers for green upskilling | | DKK million | 0 | 187.02 | Q3 | 2026 | At least DKK 187 020 000 have been disbursed to providers of vocational education and training and adult vocational training for the activities for which grants have been awarded under milestone 87. |
| 89 | 8 – REPowerEU – Replacing oil burners and gas furnaces | Target | At least 27 583 oil burners or gas furnaces have been replaced with district heating or heat pumps | | Number | 10 100 | 27 583 | Q2 | 2026 | At least 27 583 oil burners and gas furnaces have been replaced with heat pumps or district heating in line with the objectives described in milestone 19. |
| 94 | 8 – REPowerEU Scaled-up measure: Energy efficiency in industry | Target | At least 26.64 PJ (peta Joule) of energy saved in the industry thanks to the | | Peta Joule (PJ) | 14.42 | 26.64 | Q2 | 2026 | The target is met when at least 26.64 PJ (Peta Joule) of energy savings, accumulated over the lifetime of the projects, have been achieved |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timeline for completion | | Description of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| | | | energy efficiency scheme | | | | | | | thereby contributing to meet the obligation for energy consumption under Energy Efficiency Framework (Article 7). |

## I. COMPONENT 9: AUDIT AND CONTROL

### I.1. Description of the reform

Reform 1: Arrangements for the control framework of the Recovery and Resilience Plan

The overall objective of the measures is to improve the control framework of the Danish Recovery and Resilience Plan. In order to ensure that the repository system is fully operational and functional, Denmark shall provide a complete and reliable data set collected and stored in accordance with Article 22(2)(d) of the RRF Regulation. In addition, the Danish Ministry of Finance shall also adopt an action plan related to the anti-fraud and anti-corruption strategy in order to ensure an effective implementation of the objectives set out in this strategy.

### I.2. Milestones, targets, indicators, and timetable for monitoring and implementation

| Sequential Number | Related Measure (Reform or Investment) | Milestone/ Target | Name of the measure | Qualitative indicator (for milestones) | Quantitative indicator (for targets) | | | Indicative timeline for completion | | Description and clear definition of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 92 | 9 – Audit and Control | Milestone | Repository system | A complete and reliable data set in accordance with Article 22(2)(d) of the RRF Regulation | | | | Q4 | 2023 | A Repository system for monitoring the implementation of the Plan shall be functional and operational.<br>The system shall include, as minimum, the following functionalities:<br>(a) collection of data and monitoring of achievement of milestones and targets;<br>(b) collection, storage and ensuring access to the data required by Article 22(2)(d)(i) to (iii) of the RRF Regulation.<br>The Ministry of Finance shall submit a complete and reliable data set collected and stored in accordance with Article 22(2)(d)(i) to (iii) of the RRF Regulation. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone/ Target | Name of the measure | Qualitative indicator (for milestones) | Quantitative indicator (for targets) | | | Indicative timeline for completion | | Description and clear definition of each milestone and target |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Unit of measure | Baseline | Goal | Quarter | Year | |
| 93 | 9 – Audit and Control | Milestone | Adoption of an action plan related to the anti-fraud and anti-corruption strategy | Adoption of the action plan related to the anti-fraud and anti-corruption strategy | | | | Q4 | 2023 | The Ministry of Finance shall adopt the RRF anti-fraud and anti-corruption strategy and then, the implementing bodies shall adopt an action plan setting out the detailed timeline of how the strategy shall be effectively introduced into their internal control systems. |

## 2. Estimated total cost of the recovery and resilience plan

The estimated total cost of the recovery and resilience plan of Denmark is DKK 13 477 000 000, which equals EUR 1 812 081 282 on the basis of the EUR DKK ECB reference rate of 30 April 2021 for the original plan and on the basis of the EUR DKK ECB reference rate of 31 May 2023 for the REPowerEU chapter.

The estimated total cost of the REPowerEU chapter is DKK 1 467 000 000, which equals EUR 196 965 628 on the basis of the EUR DKK ECB reference rate of 31 May 2023. In particular, the estimated total cost of the measures referred to in Article 21c(3), point (a) of Regulation (EU) 2023/435 is EUR 0 whilst the cost of the other measures in the REPowerEU chapter is EUR 196 965 628.

**SECTION 2: FINANCIAL SUPPORT**

## 1. Financial contribution

The instalments referred to in Article 2(2) shall be organised in the following manner:

1.1. First Instalment (non-repayable support):

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 31 | 4 - Green Tax Reform - Investment window | Milestone | A political agreement on an investment window has been adopted by the Danish parliament and the relevant legislative procedures in the Parliament have been launched. |
| 34 | 4 - Green Tax Reform - Accelerated depreciation | Milestone | A political agreement on an accelerated depreciation has been adopted by the Danish parliament and the relevant legislative procedures in the Parliament have been launched. |
| 41 | 5 - Sustainable Road Transport - Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles | Milestone | Entry into force of legal act to re-prioritise the registration tax of vehicles and low electricity tax on charging electric vehicles |
| 19 | 3 - Energy efficiency, green heating and carbon capture and storage - Replacing oil burners and gas furnaces | Milestone | A political agreement has been adopted on the allocation of the funds for the schemes for replacing oil burners and gas furnaces with electric heat pumps and district heating. |
| 49 | 5 - Sustainable Road Transport - Subsidy scheme to green ferries | Milestone | A political agreement has been adopted among a majority of parties in the Danish Parliament on green transition of ferries. |
| 32 | 4 - Green Tax Reform - Investment window | Milestone | The bill on the green tax reform including the investment window is adopted by the Danish parliament and the initiative enters into force. |
| 35 | 4 - Green Tax Reform - Accelerated depreciation | Milestone | The bill on the green tax reform including the accelerated depreciation is adopted by the Danish parliament and the initiative enters into force |
| 76 | 7 - Green Research and Development - Incentives to boost R&D in companies | Milestone | The bill on deductions for research and development work enters into force |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 64 | 7 - Research in green solutions: Carbon capture and storage or use of CO2 | Milestone | Selection of mission roadmaps for 'carbon capture and storage or use of CO2'. |
| 67 | 7 - Research in green solutions: Green fuels for transport and industry | Milestone | Selection of mission roadmaps for 'green fuels for transport and industry'. |
| 70 | 7 - Research in green solutions: Climate- and environment friendly agriculture and food production | Milestone | Selection of mission roadmaps for 'climate- and environment friendly agriculture and food production'. |
| 73 | 7 - Research in green solutions: Circular economy focusing on reuse and reduction of plastic and textile waste. | Milestone | Selection of mission roadmaps for 'circular economy use and reduction of plastic and textile waste. |
| 6 | 1 - Strengthening the Resilience of the Health Care System - Emergency management & monitoring of critical medical products | Target | Implement an optional IT-system to report on the side effects of the COVID-19 vaccines into 1250 general practitioners' local digital platforms. |
| 22 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in industry | Milestone | Entry into force of the legal framework for a subsidy scheme for energy efficiency in industry. |
| 38 | 4 - Green Tax Reform - Emission taxes on industries | Milestone | A political agreement on an increase in the emissions tax on industry has been adopted by the Danish parliament |
| 11 | 2 - Green transition of Agriculture and the Environment - Climate technologies in agriculture | Milestone | Call for applications for the subsidy schemes for climate technologies in agriculture (brown biorefineries) is completed. |
| 1 | 1 - Strengthening the Resilience of the Health Care System - Measures to ensure stocks of critical drugs | Milestone | Report of the assessment of stocks of critical drugs by the Danish Medicines Agency to be made available to avoid situations with a shortage of important drugs in Denmark. |
| 2 | 1 - Strengthening the Resilience of the Health | Milestone | Evaluation of patient involvement and widespread use of telemedicine to be made |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| | Care System - Digital solutions in the health care sector | | available by the Danish Ministry of Health in close collaboration with Danish Regions. |
| 3 | 1 - Strengthening the Resilience of the Health Care System - Digital solutions in the health care sector | Target | Develop and make available facilities for telemedicine consultation (KontaktLæge) for multiple platforms. |
| 13 | 2 - Green transition of Agriculture and the Environment - Carbon rich soils | Milestone | Call for applications for the subsidy scheme for rewetting and taking out carbon rich soils out of production is completed |
| 25 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy renovations in public buildings | Milestone | The government issues statutory order establishing a subsidy scheme for energy renovations in public buildings |
| 27 | 3 - Energy efficiency, green heating and carbon capture and storage - CCS-storage potential | Milestone | Award of contracts for selected applicants for the CCS feasibility study |
| 44 | 5 - Sustainable Road Transport - Development test of road-pricing | Milestone | Political agreement between the government and a majority of the parliament on the conduction of the test scheme. |
| 46 | 5 - Sustainable Road Transport - Analysis of the regulation on weight and dimensions to optimise heavy haulage | Milestone | Publication of a report on the analysis of the national regulation on weight and dimensions. |
| 48 | 5 - Sustainable Road Transport - Analysis of test scheme with double trailers | Milestone | Publication of an analysis on double trailers analysing road safety, vehicle engineering, road engineering and environmental conditions. |
| | | Instalment Amount | EUR 346 503 784 |

1.2. Second Instalment (non-repayable support):

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 16 | 2 - Green transition of Agriculture and the Environment - Rehabilitation of industrial sites and contaminated land | Target | Minimum 4 project application to rehabilitate an industrial site or contaminated land have been approved |
| 65 | 7 - Research in green solutions: Carbon capture and storage or use of CO2Green | Milestone | Selection of partnerships for 'carbon capture and storage or use of CO2'. |
| 68 | 7 - Research in green solutions: Green fuels for transport and industry | Milestone | Selection of partnerships for 'green fuels for transport and industry'. |
| 71 | 7 - Research in green solutions: Climate- and environment friendly agriculture and food production | Milestone | Selection of partnerships for 'climate- and environment friendly agriculture and food production'. |
| 74 | 7 - Research in green solutions: Circular economy focusing on reuse and reduction of plastic and textile waste. | Milestone | Selection of partnerships for 'circular economy focusing on reuse and reduction of plastic and textile waste'. |
| 4 | 1 - Strengthening the Resilience of the Health Care System - Digital solutions in the health care sector | Milestone | Implementation of a digital questionnaire in the app "MinLæge" ("My Doctor") |
| 42 | 5 - Sustainable Road Transport - Temporary increase in the scrapping premium for old diesel cars | Target | 36 000 old diesel cars are scrapped due to the raised scrapping premium |
| 54 | 6 - Digitalisation - Digital strategy | Milestone | Adoption of a new “Digital Strategy” in the Finance Act 2022 and of the implementation plan. |
| 62 | 6 - Digitalisation - Broadband pool | Target | At least 3 500 households and/or businesses covered with very high speed internet (at least 100 Mbps connection). |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 23 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in industry | Milestone | The annual application rounds for the subsidy scheme on energy efficiency in industry are completed. |
| 47 | 5 - Sustainable Road Transport - Car sharing and carpooling (awareness) | Target | Information campaign congestion and car sharing has been exposed at least 30 000 000 times. |
| 61 | 6 - Digitalisation - Framework for Denmark fit for a digital future (Sub-reform 5) | Milestone | Adoption of a new National Cybersecurity strategy |
| 66 | 7 - Research in green solutions: Carbon capture and storage or use of CO2 | Target | At least one research and innovation partnership(s) has received funding on 'carbon capture and storage or use of CO2' |
| 69 | 7 - Research in green solutions: Green fuels for transport and industry | Target | At least one research and innovation partnership(s) has received funding on ‘green fuels for transport and industry'. |
| 72 | 7 - Research in green solutions: Climate- and environment friendly agriculture and food production. | Target | At least one research and innovation partnership(s) has received funding on ‘climate- and environment friendly agriculture and food production’. |
| 75 | 7 - Green Research and Development - Research in green solutions | Target | At least one research and innovation partnership(s) has received funding on 'circular economy focusing on reuse and reduction of plastic and textile waste'. |
| 92 | 9 – Audit and Control | Milestone | Repository system |
| 93 | 9 – Audit and Control | Milestone | Adoption and implementation of an action plan related to the anti-fraud and anti-corruption strategy |
| | | Instalment Amount | EUR 509 574 078 |

1.3. Third Instalment (non-repayable support):

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 5 | 1 - Strengthening the Resilience of the Health Care System - Clinical study on effect of COVID-19 vaccines | Milestone | Report on a study conducted by Aarhus University Hospital on the effects and side effects of COVID-19 vaccines to be made available to the Danish Ministry of Health. |
| 17 | 2 - Green transition of Agriculture and the Environment - Rehabilitation of industrial sites and contaminated land | Milestone | Report on midway status for work realised on approved projects and corrective action taken where needed |
| 28 | 3 - Energy efficiency, green heating and carbon capture and storage - CCS-storage potential | Milestone | Completion of feasibility study for CCS-storage. The government takes a decision for follow-up. |
| 37 | 4 - Green Tax Reform - Expert group to prepare proposals for a CO2e-tax | Milestone | In line with the conclusions of the report by the expert group for a uniform CO2e tax regulation, the government shall convene the parties behind the green tax reform to agree on next steps. |
| 39 | 4 - Green Tax Reform - Emission taxes on industries | Milestone | Tax increases on emissions from industry enter into force for all industries including agriculture and mineralogical processes. |
| 63 | 6 - Digitalisation - SME's digital transition and trade | Target | At least 550 SMEs have received funding for digital projects |
| 77 | 7 - Green Research and Development - Incentives to boost R&D in companies | Target | 500 firms have used the tax deduction provided by the deductions for research and development work |
| | | Instalment Amount | EUR 148 475 926 |

1.4. Fourth Instalment (non-repayable support):

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 14 | 2 - Green transition of Agriculture and the Environment - Carbon rich soils | Target | Projects that represent taking 2 350 hectares of carbon rich soil out of production have had undertakings providing a halfway mark on the removal. |
| 24 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in industry | Target | At least 14.42 PJ (Peta Joule) of energy saved in the industry thanks to the energy efficiency scheme. |
| 33 | 4 - Green Tax Reform - Investment window | Target | 1 000 companies have used the tax deduction provided by the investment window |
| 36 | 4 - Green Tax Reform - Accelerated depreciation | Target | 1 000 companies have used the tax deduction provided by the accelerated depreciation. |
| 45 | 5 - Sustainable Road Transport - Development test of road-pricing | Milestone | Publication of the results from the test scheme on road-pricing. |
| 51 | 5 - Sustainable Road Transport - Investments in bike paths in state roads and bicycle subsidy scheme for municipalities | Target | The construction of at least 45 km of new bike paths has been initiated |
| 53 | 5 - Sustainable Road Transport - Scheme to infrastructure for electric bicycles | Target | At least 75 bike charging stations have been built |
| 78 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Milestone | Incorporation of “NEKST” in the Finance Acts for the years 2023 and 2024 and publication of the progress report. |
| 86 | 8 – REPowerEU – Green upskilling | Milestone | Practical implementation of the green upskilling funds |
| | | Instalment Amount | EUR 204 080 167 |

1.5. Fifth Instalment (non-repayable support):

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 7 | 2 - Green transition of Agriculture and the Environment - Organic farming | Target | At least 40 projects under The Foundation for Organic Farming completed. |
| 8 | 2 - Green transition of Agriculture and the Environment - Organic transition of public kitchens | Target | At least 160 public kitchens have received competence development supporting organic transition. |
| 9 | 2 - Green transition of Agriculture and the Environment - Organic Innovation Centre | Target | At least 6 projects supporting organic innovation have been completed |
| 10 | 2 - Green transition of Agriculture and the Environment - Plant based organic projects | Target | At least 10 projects that aims to support the development of more organic, plant-based food is completed. |
| 12 | 2 - Green transition of Agriculture and the Environment - Climate technologies in agriculture | Target | Setup of 1 full-scale biorefinery. |
| 20 | 3 - Energy efficiency, green heating and carbon capture and storage - Replacing oil burners and gas furnaces | Milestone | Selection of recipients of funds for replacing oil burners and gas furnaces |
| 26 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy renovations in public buildings | Target | Improvement of energy rating for 40% of supported municipal and regional buildings with D-G rating |
| 29 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in households | Milestone | Selection of beneficiaries of funds for energy renovation in private households. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 43 | 5 - Sustainable Road Transport - Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles | Target | At least 259 368 zero- and low emission cars in the Danish car stock. |
| 52 | 5 - Sustainable Road Transport - Investments in bike paths in state roads and bicycle subsidy scheme for municipalities | Target | 40 % of supported projects have been completed |
| 56 | 6 - Digitalisation - Digital strategy | Milestone | Independent report on the achievements of the digital strategy initiatives included in the "Implementation Plan" referred to in milestone 54 |
| 57 | 6 - Digitalisation - Strategy for the digital public sector and services of the future (Sub-reform 1) | Target | At least 7 public authorities have received funding for AI projects |
| 58 | 6 - Digitalisation - Strategy for the digital professions and jobs of the future (Sub-reform 2) | Target | At least 500 SME's have received funding for digital projects |
| 59 | 6 - Digitalisation - Framework for innovation, public-private partnerships and use of new technology (Sub-reform 3) | Target | At least 15 public authorities have received funding for innovation and new technology projects carried out in collaboration with a private entity |
| 60 | 6 - Digitalisation - Framework for data data-driven society (Sub-reform 4) | Target | At least 4 public institutions have developed or received support to develop solutions to store and reuse personal information |
| 82 | 8 – REPowerEU – Preparations for 4 Gigawatt (GW) offshore wind | Milestone | Preparation and publication of a call for tender for 4 GW offshore wind. |
| | | Instalment Amount | EUR 211 588 143 |

1.6. Sixth Instalment (non-repayable support):

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 15 | 2 - Green transition of Agriculture and the Environment - Carbon rich soils | Target | Projects that represent taking 4 700 hectares of carbon rich soil out of production have been awarded. |
| 18 | 2 - Green transition of Agriculture and the Environment - Rehabilitation of industrial sites and contaminated land | Target | The remediation of at least 4 different contaminated sites is initiated. |
| 21 | 3 - Energy efficiency, green heating and carbon capture and storage - Replacing oil burners and gas furnaces | Target | At least 10 100 oil burners or gas furnaces has been replaced with district heating or heat pumps |
| 30 | 3 - Energy efficiency, green heating and carbon capture and storage - Energy efficiency in households | Target | At least 6125 energy renovation projects in private households have been completed |
| 79 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Target | Implementation of measures recommended by NEKST |
| 80 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Target | Municipalities have approved project proposals for district heating that phases out gas. |
| 81 | 8 – REPowerEU – National Energy Crisis Staff (NEKST) | Target | Removal of systemic barriers for solar energy on land and onshore wind. |
| 83 | 8 – REPowerEU – Screening of Denmark's offshore wind capacity | Milestone | Publication of a report |
| 87 | 8 – REPowerEU – Green upskilling | Milestone | Commitments made towards VET providers for green upskilling |
| 88 | 8 – REPowerEU – Green upskilling | Target | Disbursements made towards VET providers for green upskilling |
| 89 | 8 – REPowerEU – Replacing oil burners and gas furnaces | Target | At least 27 583 oil burners or gas furnaces have been replaced with district heating or heat pumps. |

| Sequential Number | Related Measure (Reform or Investment) | Milestone / Target | Name |
|---|---|---|---|
| 94 | 8 – REPowerEU – Scaled up measure: Energy efficiency in industry | Target | At least 26.64 PJ (Peta Joule) of energy saved in the industry thanks to the energy efficiency scheme |
| | | Instalment Amount | EUR 205 668 787 |

## SECTION 3: ADDITIONAL ARRANGEMENTS

### 1. Arrangements for monitoring and implementation of the recovery and resilience plan

The monitoring and implementation of the recovery and resilience plan of Denmark shall take place in accordance with the following arrangements:

The Ministry of Finance is responsible for coordinating and ensuring that the line ministries' audits and controls are sound and well-functioning with regard to the implementation of the recovery and resilience plan. Within the Ministry of Finance, the Office of Audit and Supervision shall perform controls regarding both the ministries' application of funds and the documentation and fulfilment of targets and milestones. Also, it shall be assigned the task of coordinating the audit systems and conducting the controls on the line ministries' application of funds, thus providing additional assurance that implementing ministries' control systems are able to meet the requirements of Regulation (EU) 2021/241. The Office of Audit and Supervision shall report before each payment request on the controls performed during the work with the management declaration. In the report, it shall provide a summary of its controls on the implementing ministries' control and audit reports, and shall therefore conduct the audits that will feed into the summary of audits that shall be sent by the Ministry of Finance. Each Ministry is responsible for ensuring sufficient audit and control on the completion of the milestones and targets. The Ministries shall have the flexibility to design the audits and controls individually. The National Audit Office (Rigsrevisionen) is responsible for conducting external audits on government expenditures and revenues.

The Danish recovery and resilience plan states the procedures that are in place to ensure compliance to applicable Union and national law, throughout the implementation of all measures. Furthermore, it addresses all serious irregularities (fraud, corruption, conflict of interest) and double funding by allowing for controls and audits to be implemented at line Ministry levels. Each of the nine responsible line Ministries involved in implementation of the components shall issue a Recovery and Resilience Facility management declaration with the Office of Audit and Supervision performing controls and supervision.

### 2. Arrangements for providing full access by the Commission to the underlying data

The Office of Audit and Supervision shall use a specific Danish government system 'F2' to store documentation from the line-ministries. The system is used in almost all Ministries and agencies in the Danish central administration, and it is used for filing and journaling of documents to ensure compliance with various law requirements, including especially the public access to information act. Data shall be sent via encrypted email to the Office of Audit and Supervision. The specific data that shall be collected from the projects is data on final recipients/beneficiaries, contractors and subcontractors, and the collection of these data shall serve the purpose of obtaining knowledge of risks specifically regarding 'concentration' and 'reputational' risks. The Office of Audit and Supervision shall ensure that these data is stored in order for the EU-authorities to check when requested, as each ministry shall store the data in a decentralized way. Data shall be available for both the Ministry of Finance and EU-institutions upon request.

In accordance with Article 24(2) of Regulation (EU) 2021/241, upon completion of the relevant agreed milestones and targets in Section 2.1 of this Annex, Denmark shall submit to the Commission a duly justified request for payment of the financial contribution. Denmark shall ensure that, upon request, the Commission has full access to the underlying relevant data that supports the due justification of the request for payment, both for the assessment of the request for payment in accordance with Article 24(3) of Regulation (EU) 2021/241 and for audit and control purposes.