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To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
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Subject:	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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2024/0304 (NLE)

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}

2024/0304 (NLE)

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

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility[1], and in particular Article 20(1) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) Following the submission of the national recovery and resilience plan ('RRP') by Denmark on 30 April 2021, the Commission has proposed its positive assessment to the Council. The Council approved the positive assessment by means of the Council Implementing Decision of 13 July 2021[2]. That CID was amended on 9 November 2023[3].

(2) On 22 October 2024, Denmark made a reasoned request to the Commission to make a proposal to amend the Council Implementing Decision of 13 July 2021 in accordance with Article 21(1) of Regulation (EU) 2021/241 on the grounds that the RRP is partially no longer achievable because of objective circumstances. On that basis, Denmark has submitted an amended RRP.

Amendments based on Article 21 of Regulation (EU) 2021/241

(3) The amendments to the RRP submitted by Denmark because of objective circumstances concern 20 measures.

(4) Denmark has explained that three measures have been amended to implement better alternatives in order to achieve the original ambition of the measure. This concerns target 8 of Investment 2 (Organic transition of public kitchens) under Component 2 (Green transition of agriculture and environment); milestones 39 and 40 of Reform 2 (Emission taxes on industries) under Component 4 (Green tax reform); and target 59 of Reform 1 (Digital Strategy) under Component 6 (Digitalisation). This also concerns

[1] OJ L 57, 18.2.2021, p. 17.
[2] ST 10154/2021; ST 10154/21 ADD 1
[3] ST 14473/23; ST 14473/23 ADD1

the measure description of Reform 2 (Emission taxes on industries) under Component 4 (Green tax reform). On this basis, Denmark has requested to amend the aforementioned milestones, targets and measures. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(5) Denmark has explained that nine measures have been amended to implement better alternatives allowing to reduce the administrative burden in order to achieve the original ambition of the measure. This concerns milestone 17 of Investment 6 (Rehabilitation of industrial sites and contaminated land) under Component 2 (Green transition of agriculture and environment); milestone 26 of Investment 3 (Energy renovations in public buildings) and milestone 28 of Investment 5 (Carbon capture and storage (CCS) potential) under Component 3 (Energy efficiency, green heating and carbon capture and storage); targets 51 and 52 of Investment 7 (Investments in bike paths in state roads and bicycle subsidy scheme for municipalities) under Component 5 (Sustainable road transport); and milestone 55 and milestone 56 of Reform 1 (Digital Strategy) under Component 6 (Digitalisation). This also concerns the measure description of Investment 6 (Rehabilitation of industrial sites and contaminated land) under Component 2 (Green transition of agriculture and environment); Investment 1 (Replacing Oil Burners and Gas Furnaces) and Investment 4 (Energy Efficiency in Households) under Component 3 (Energy efficiency, green heating and carbon capture and storage); Reform 1 (Expert group to prepare proposals for a CO2e-tax) under Component 4 (Green tax reform); Investment 2 (Development test of road-pricing) and Investment 7 (Investments in bike paths in state roads and bicycle subsidy scheme for municipalities) under Component 5 (Sustainable road transport). On this basis, Denmark has requested to amend the aforementioned milestones, targets and measures. The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(6) Denmark has explained that there are four measures that are partially no longer achievable in order to adapt to new recommendations from health authorities, and because of high inflation and insufficient market demand within the given terms. This concerns milestone 5 of Investment 1 (Clinical study on effect of COVID-19 vaccines) under Component 1 (Strengthening the resilience of the healthcare system); target 24 of Investment 2 (Energy efficiency in industry) under Component 3 (Energy efficiency, green heating and carbon capture and storage); and target 50 of Investment 8 (Subsidy scheme to green ferries) under Component 5 (Sustainable road transport); and milestone 84 and target 85 of sub-measure 3 of Investment 1 (Supporting the deployment of wind energy) under Component 8 (REPowerEU). On this basis, Denmark has requested to amend milestone 5 of Investment 1 (Clinical study on effect of COVID-19 vaccines) under Component 1 (Strengthening the resilience of the healthcare system) and to decrease target 24 of Investment 2 (Energy efficiency in industry) under Component 3 (Energy efficiency, green heating and carbon capture and storage). Furthermore, Denmark has requested to remove target 50 of Investment 8 (Subsidy scheme to green ferries) under Component 5 (Sustainable road transport) and milestones 84 and target 85 of sub-measure 3 of Investment 1 (Supporting the deployment of wind energy) under Component 8 (REPowerEU). The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(7) Denmark has explained that there is one measure that is totally no longer achievable, because of insufficient market demand as the tender received no eligible bids. This concerns milestone 90 and target 91 of Investment 4 (Scaled-up measure: Carbon Capture Storage (CCS) Potential) under Component 8 (REPowerEU). On this basis,

Denmark has requested to remove milestone 90 and target 91 of Investment 4 (Scaled-up measure: Carbon Capture Storage (CCS) Potential) under Component 8 (REPowerEU). The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(8) Denmark has further requested to use the resources freed up by the removal of measures and the decrease in the level of their implementation under Article 21 of Regulation (EU) 2021/241 to add one new measure and increase the level of implementation of two measures. This concerns target 43 of Reform 1 (Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles) under Component 5 (Sustainable road transport); target 89 of Investment 3 (Scaled-up measure: Replacing oil burners and gas furnaces) and the new target 94 of the new Investment 5 (Energy efficiency in industry) under Component 8 (REPowerEU). On this basis, Denmark has requested to increase the level of required implementation of target 43 of Reform 1 (Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles) under Component 5 (Sustainable road transport) and target 89 of Investment 3 (Scaled-up measure: Replacing oil burners and gas furnaces) under Component 8 (REPowerEU). Furthermore, Denmark has requested to add target 94 of the new Investment 5 (Scale-up measure: Energy efficiency in industry) under Component 8 (REPowerEU). The Council Implementing Decision of 13 July 2021 should be amended accordingly.

(9) The Commission considers that the reasons put forward by Denmark justify the amendment pursuant to Article 21(2) of Regulation (EU) 2021/241, and the Council Implementing Decision of 13 July 2021 should be amended accordingly.

Corrections of clerical errors

(10) 23 clerical errors have been identified in the text of the Council Implementing Decision, affecting eight milestones and targets and six measures under five components. The Council Implementing Decision should be amended to correct these clerical errors that do not reflect the content of the RRP submitted to the Commission on 30 April 2021, as agreed between the Commission and Denmark. Those clerical errors relate to target 7 of Investment 1 (Organic Farming) and milestones 14 and 15 under Reform 1 (Carbon rich soils) under Component 2 (Green transition of agriculture and environment); milestone 21 of Investment 1 (Replacing Oil Burners and Gas Furnaces), milestone 28 of Investment 5 (Carbon Capture Storage (CCS) Potential) and milestone 29 of Investment 4 (Energy Efficiency in Households) under Component 3 (Energy efficiency, green heating and carbon capture and storage); target 43 of Reform 1 (Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles) and target 52 of Investment 7 (Investments in bike paths in state roads and bicycle subsidy scheme for municipalities) under Component 5 (Sustainable road transport); and milestone 83 of Investment 1 (Supporting the deployment of wind energy) under Component 8 (REPowerEU); and the description of the measure Investment 1 (Clinical study on effect of COVID-19 vaccines) under Component 1 (Strengthening the resilience of the healthcare system); Investment 5 (Carbon Capture Storage (CCS) Potential) under Component 3 (Energy efficiency, green heating and carbon capture and storage); Reform 1 (Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles) under Component 5 (Sustainable road transport) and Investment 1 (SME's digital transition and trade) under Component 6 (Digitalisation). Furthermore, two clerical errors were corrected to ensure consistent wording in Component 3 (Energy efficiency, green heating and carbon capture and storage) and

Component 6 (Digitalisation). Finally, a number of clerical errors were corrected in the subsequent sections of the Annex. These changes concerned the costing amount in point 2 and the correction of the reference to "milestone/target" in the instalment tables for milestone 87 and targets 33, 36, 77 and 79. Furthermore, the numbering of the subsections in Section 2: Financial Support was corrected. Lastly, the order of the milestones and targets included in the third, fourth and fifth instalments was corrected to display them in increasing order. Those corrections do not affect the implementation of the measures concerned.

Commission's assessment

(11) The Commission has assessed the amended RRP against the assessment criteria laid down in Article 19(3) of Regulation (EU) 2021/241.

(12) The Commission considers that the amendments put forward by Denmark do not affect the positive assessment of the RRP set out in the Council Implementing Decision ST 10154/2021 of 13 July 2021 on the approval of the assessment of the RRP for Denmark regarding the relevance, effectiveness, efficiency and coherence of the RRP against the assessment criteria laid down in Article 19(3), points (a), (b), (c), (d),(da), (db), (e), (f), (g), (h), (i), (j) and (k).

Positive assessment

(13) Following the positive assessment by the Commission of the amended RRP with the finding that the RRP satisfactorily complies with the criteria for assessment set out in Regulation (EU) 2021/241, in accordance with Article 20(2) of and Annex V to that Regulation, the reforms and investment projects necessary for the implementation of the amended RRP, the relevant milestones, targets and indicators, and the amount made available from the Union for the implementation of the amended RRP in the form of non-repayable financial support should be set out.

Financial contribution

(14) The estimated total costs of Denmark's amended RRP is EUR 1 812 081 282. As the amount of the estimated total costs of the amended RRP is higher than the updated maximum financial contribution available for Denmark, the total financial contribution determined in accordance with Articles 20(4), 21a(6) of Regulation (EU) 2021/241 allocated for Denmark amended RRP should be equal to EUR 1 625 890 885

(15) Council Implementing Decision ST 10154/2021; ST 10154/21 ADD 1 of 13 July 2021 on the approval of the assessment of the RRP for Denmark should therefore be amended accordingly. For the sake of clarity, the Annex to that Council Implementing Decision should be replaced entirely,

HAS ADOPTED THIS DECISION:

Article 1

The Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Denmark is amended as follows:

(1) Article 1 is replaced by the following:

Article 1

Approval of the assessment of the RRP

The assessment of the modified RRP of Denmark on the basis of the criteria provided for in Article 19(3) of Regulation (EU) 2021/241 is approved. The reforms and investment projects under the RRP, the arrangements and timetable for the monitoring and implementation of the RRP, including the relevant milestones and targets and the additional target related to the payment of non-repayable financial support, the relevant indicators relating to the fulfilment of the envisaged milestones and targets, and the arrangements for providing full access by the Commission to the underlying relevant data are set out in the Annex to this Decision

(2) The Annex is replaced by the text in the Annex to this Decision.

Article 2
Addressee

This Decision is addressed to the Kingdom of Denmark.

Done at Brussels,

For the Council
The President