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ANNEX

ANNEX

to the

Proposal for a Council Implementing Decision

on the approval of the assessment of the recovery and resilience plan for Denmark

{SWD(2021) 154 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. This information can be used to improve the COVID-19 vaccination program.

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. 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 -	Milestone	Evaluation of patient involvement and widespread use of telemedicine to be made available	An evaluation about telemedicine solutions of health anxiety.				Q4	2021	In close collaboration with Danish Regions, the Central Region shall report an evaluation to the Danish Ministry of Health on

	Digital solutions in the health care sector		by the Danish Ministry of Health in close collaboration with Danish Regions.							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 authorities, organisations and private firms linked to the Danish healthcare sector.
4	1 - Strengthening the Resilience of the Health Care System - Digital	Milestone	Implementation of a digital questionnaire in the app "MinLæge" ("My Doctor")	Implementation of digital questionnaires and patient-reported data through the app				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

	solutions in the health care sector			MinLæge.						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 study on effect of COVID-19 vaccines	Milestone	Report on a study conducted by Trial Nation and Aarhus University Hospital on the effects and side effects of COVID-19 vaccines to be made available to the Danish Ministry of Health.	Conduct a study and publish the report regarding results and further knowledge of the effects and side effects of COVID-19 vaccines				Q3	2023	Trial Nation shall, in collaboration with Aarhus University Hospital, conduct and publish a study of 10 000 trial participants for a two year period after vaccination. The study and report shall be sent to the Danish Ministry of Health.
6	1 - Strengthening the Resilience of the Health Care System - Emergency management & monitoring	Target	Implement an optional IT-system to report on the side effects of the COVID-19 vaccines into 1 250 general		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 1000 in 2021. The Danish Medicines Agency shall ensure

	of critical medical products		practitioners' local digital platforms.							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 trade 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 is expected 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 trade in, 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	Increase the share of organic products used in public kitchens to at least 35%.		%	23	35	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 the share of organic products in public kitchens has increased to at least 35%.
9	2 - Green transition of Agriculture and the	Target	At least 6 projects supporting organic innovation have been completed		Number	0	6	Q4	2025	The organic innovation projects shall collect and convey knowledge to support organic farming to

	Environment - Organic Innovation Centre									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 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. 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 the Environment - Climate technologies in agriculture	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 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. The milestone shall be completed when the application round is closed and the Danish Environmental Agency 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 2350 hectares of carbon rich soil out of production have had undertakings providing a halfway mark on the removal.		Number	0	2350	Q4	2024	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. 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	2350	4700	Q2	2026	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. The target shall be met when 4 700 hectares of carbon rich soil have been taken out of production
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 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. The report is important because it can provide feedback on potential obstacles in realising the projects.
18	2 - Green transition of Agriculture and the Environment - Rehabilitation	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

	of industrial sites and contaminated land									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. The scheme is particularly relevant for citizens who wish to convert to a heat pump but who have limited financing opportunities.

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 objective of this measure is to ensure that residential buildings are renovated and energy efficient and to speed up transition from oil burners and gas furnaces to heat pumps. 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 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 CCS - 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. 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". 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 CCS - 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.
21	3 - Energy	Target	At least 10 100		Number	0	10 100	Q2	2026	The target shall be reached

	efficiency, green heating and CCS - Replacing oil burners and gas furnaces		individual oil burners or gas furnaces have been replaced with district heating or heat pumps							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 CCS - 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. The funds shall be allocated on the basis of a competitive selection procedure.
23	3 - Energy efficiency, green heating and CCS - Energy efficiency in industry	Milestone	The annual application rounds for the subsidy scheme to achieve energy savings in the industry are	Funds are allocated to private-owned production, trade and service companies, including agriculture,				Q4	2022	The milestone shall be reached when all application rounds are completed and funds allocated to achieve energy savings in the industry.

			completed.	horticulture and fishery. Subsidies are distributed to projects that reduces the overall final energy consumption in Danish industry.						
24	3 - Energy efficiency, green heating and CCS - Energy efficiency in industry	Target	At least 16 PJ (Peta Joule) of energy saved in the industry thanks to the energy efficiency scheme.		Peta Joule (PJ)	0	16	Q4	2024	The target is met when at least 16 PJ (Peta Joule) of energy savings between 1 January 2022 and 31 December 2024 has been achieved thereby contributing to meet the obligation for energy consumption under Energy Efficiency Framework (Article 7). The additional means shall be added to the existing scheme and shall work under the same legal framework which has been established to meet the obligation for energy

										consumption under Energy Efficiency Framework (article 7).
25	3 - Energy efficiency, green heating and CCS - 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 CCS - 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. All else being equal, this corresponds to 10 pct. of municipal and

										regional buildings having their energy rating improved if there is full disbursement of the scheme.
27	3 - Energy efficiency, green heating and CCS - 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 CCS - 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. The report shall propose actions that are compliant with the DNSH requirement.
29	3 - Energy	Mileston	Selection of	Selection of fund				Q1	2025	The milestone shall be

	efficiency, green heating and CCS - Energy efficiency in households	e	beneficiaries of funds for energy renovation in private households.	beneficiaries completed.						reached when the managing entity has selected the beneficiaries. The Building Pool shall be split into several yearly application rounds to support a broad distribution of funds among private house owners. 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. 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. The measure shall achieve at least a 30% reduction in primary energy demand.
30	3 - Energy efficiency, green heating and CCS - Energy efficiency in households	Target	At least 6125 energy renovation projects in private households have been completed		Number	0	6125	Q2	2026	The target shall be reached when at least 6125 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. In this context, Danish companies are expected to maintain their high competitiveness and avoid carbon leakage. Funding from the Recovery and Resilience Facility is thus instrumental in ensuring a green transition of the Danish society in line with the Paris Agreement.

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 process energy tax by DKK 6 / GJ/ app. 100 DKK/ton CO2. This shall raise the fossil energy taxation for all industries equally. Consequently, the existing differentiations in the energy tax rates for companies will be maintained in 2025, but at a higher level for all industries.

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
					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. 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	Milestone	The bill on the green tax reform including the investment	The law on the green tax reform including the investment				Q2	2021	The bill has been adopted by the Danish Parliament and entered into force in April 2021. The investment window is effective as

	window		window is adopted by the Danish parliament and the initiative enters into force.	window is adopted and enters into force.						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	The political agreement on the green tax reform including the accelerated depreciation is signed and published on the				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. The relevant legislative procedures

			procedures in the Parliament have been launched.	Ministry of Taxation's webpage.						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 efficiency in policy making, committing parties over several parliamentary terms.
35	4 - Green Tax Reform - Accelerated depreciation	Milestone	Milestone 2: 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.
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. 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 efficiency in policy making, committing parties over several parliamentary terms.
39	4 - Green Tax Reform - Emission taxes on industries	Milestone	The bill on the green tax reform including the increased emissions tax on industry is adopted by the Danish parliament and the initiative enters into force for all industries except agriculture and mineral proc.	The law on the green tax reform including the increased emissions tax on industry is adopted and published				Q1	2023	The milestone shall have been achieved when The bill on the green tax reform including the increased emissions tax on industry is adopted by the Danish Parliament and the initiative enters into force for all industries except agriculture and mineral producers.
40	4 - Green Tax Reform - Emission taxes on industries	Milestone	Tax increase on emissions from industry enter into force for all industries including agriculture and mineral proc.	Tax increase 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 and scrappage schemes for diesel cars. The measures 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. This first subset of measures shall also include a premium for scrapping old diesel cars in order to ensure that older cars are rapidly changed into new and less polluting cars.

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

This investment is part of a series of studies and tests shall be executed in order to accelerate the decarbonisation of roads (promotion of car-pooling, test-scheme for heavy haulage transportation, optimization 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. This shall support access to a more coherent bicycle road network for citizens and thereby better opportunities to choose the bicycle rather than other modes of transport. In addition, the measure shall support a scheme targeting municipal bicycle construction 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. The subsidy shall enable a green transition of 15 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	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

	the scrapping premium for old diesel cars									but is assessed to be 17 000 diesel cars in 2021. The scheme is therefore expected to give at least 19 000 extra scrapped old diesel cars in 2021. The target refers to the number of old diesel cars that are scrapped due to the increased scrapping premium. 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 225 000 zero- and low emission cars in the Danish car stock.		Number	65000	225000	Q4	2025	The target shall be reached when stock of zero- and low-emission cars in the car stock is at least 225 000 by 31 December 2025, compared to the 2021 baseline of 65 000.
44	5 -	Milestone	Political	Agreement				Q4	2021	The political agreement shall be reached on

	Sustainable Road Transport - Development test of road-pricing		agreement between has been adopted by the government and a majority of the parliament on the conduction of the test scheme	reached between the government and a majority of the parliament on the conduction of the test scheme.						the description of the test-scheme and the 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. 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 optimise	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, which is expected to				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 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

	heavy haulage			help quantifying potential reductions in emissions.						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 least 30 000 000 times.		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. 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. 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 -	Milestone	Publication of an analysis on double trailers analysing road	Publication of a report on the findings of				Q4	2021	The analysis on double trailers shall result in the publication of a report with final recommendations, including proposals for a pilot road network and estimate of climate

	Analysis of test scheme with double trailers		safety, vehicle engineering, road engineering and environmental conditions.	the analysis of test scheme with double trailers.						effects, road safety conditions and finances, including investments in rebuilding the road network. 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 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. No further legislation is necessary as the political agreement along with finance act 2021 provide the relevant legal basis. 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.
50	5 - Sustainable Road Transport - Subsidy scheme to green ferries	Target	At least 15 ferries has been exchanged or retrofitted to green ferries.		Number	0	15	Q4	2025	At least 15 ferries shall have been exchanged or retrofitted after having received the subsidy in line with the criteria in milestone 49. The funds shall only be used for investments in new ferries or to retrofit existing ferries. With the political agreed upon subsidy percentages, at least 15 ferries may be exchanged or retrofitted to green ferries.
51	5 - Sustainable Road Transport - Investments in bike paths in state roads and bicycle subsidy scheme for municipalities	Target	The construction of at least 45km 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 by Q4 2024. The beneficiaries shall be municipalities. The projects shall be the construction of new cycle paths, especially for the benefit of commuting to work and school, as well as improved crossing options on sections where the state road is a barrier. 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 have been completed by Q4 2025. The projects shall be completed in the framework of the subsidy scheme. The pool of projects shall prioritize projects that largely reflect the following criteria: - New infrastructure dedicated to cyclists, such as new cycle paths, dedicated lanes and passages for cyclists - Projects contributing to greater safety for cyclists such as cross-conversions - The highest number of people benefitting from the project - That the project contributes to better coherence, such as by strengthening the integration between public transport and cycling - Projects coordinated with relevant actors Knowledge and innovation projects, such as smaller research and analysis projects providing new 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	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.

	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 and public-private partnerships 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 is expected 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 - Digitisation - 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 digitisation within business and industry 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 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.
55	6 - Digitisation - Digital strategy	Milestone	Implementation of the digital	At least 50% of the measures in				Q4	2023	The milestone shall be reached when at least 50%

			strategy into relevant regulatory and legislative acts.	the digital strategy have been implemented into relevant regulatory and legislative acts and have entered into force.						of the measures providing for regulatory and legislative acts, as specified in the "Implementation Plan", referred to in milestone 54, shall have entered into force.
56	6 - Digitisation - Digital strategy	Milestone	Independent report on the achievements of the digital strategy	An independent report on the achievements of the digital strategy 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.
57	6 - Digitisation - Strategy for the digital public sector and services of the future (Sub-	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

	reform A)									part of the new digital strategy.
58	6 - Digitisation - Strategy for the digital professions and jobs of the future (Sub-reform B)	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 - Digitisation - Framework for innovation, public-private partnerships and use of new technology (Sub-reform C)	Target	At least 30% of public innovations is done in public-private partnerships		%	25	30	Q4	2025	The target is achieved when at least 30% of public innovations take place in collaboration with the business community. "Public sector innovation" is defined by the innovation barometer (Statistics Denmark) as new or significantly changed processes or methods of organisation, services, products or communication. The target of "share of innovations in the public sector in public-private partnerships" shall be published as part of the

										Innovation Barometer.
60	6 - Digitisation - Framework for data data-driven society (Sub-reform D)	Target	At least 4 public institutions have developed or received support to develop solutions to store and reuse personal information		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 and reuse personal information. 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 - Digitisation - Framework for Denmark fit for a digital future (Sub-reform E)	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 - Digitisation - Broadband pool	Target	At least 3500 households and/or businesses covered with very high speed internet (at least 100 Mbps connection).		Number	0	3 500	Q1	2022	The target shall be reached when at least 3500 households and/or businesses covered with very high speed internet (at least 100 Mbps connection) that did not have such connection before.
63	6 - Digitisation - 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	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

	use of CO2									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 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	Target	At least one		Number	0	1	Q4	2022	At least one public-

	green solutions: Carbon capture and storage or use of CO2		research and innovation partnership(s) has received funding on 'carbon capture and storage or use of CO2'							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 transport and industry	Milestone	Selection of mission roadmaps for ‘green fuels for transport and industry’.	Innovation Fund Denmark has selected the roadmaps for the mission 'green fuels for transport and industry'.				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 ‘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. 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 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 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. 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 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 and reduction of plastic and textile waste' on the basis of an open call.
74	7 - Research in green solutions: Circular economy focusing on	Target	Selection of partnerships for 'circular economy focusing on reuse and reduction of plastic and textile		Number	0	1	Q1	2022	Innovation Fund Denmark has selected one or more public-private partnerships for the mission for 'circular

	reuse and reduction of plastic and textile waste.		waste'.							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. 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 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 parliament and enters into force.				Q2	2021	The bill on deductions for research and development work has been adopted by the Danish parliament and entered into force. The measure shall extend the basis for depreciation and the basis for deduction for all

										private sector research and development expenses by 130% of in the financial year of 2022. 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.

2. Estimated total cost of the recovery and resilience plan

The estimated total cost of the recovery and resilience plan of Denmark is EUR 1 615 267 709.

SECTION 2: FINANCIAL SUPPORT

3. Financial contribution

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

3.1. 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 CCS - 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 -	Milestone	The bill on the green tax reform including

	Investment window		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
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 CCS - 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 Care System - Digital solutions in the health care sector	Milestone	Evaluation of patient involvement and widespread use of telemedicine to be made 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 CCS - 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 CCS - 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

3.2. 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 - Digitisation - Digital strategy	Milestone	Adoption of a new “Digital Strategy” in the Finance Act 2022.
62	6 - Digitisation - Broadband pool	Target	At least 3 500 households and/or businesses covered with very high speed internet (at least 100 Mbps connection).
23	3 - Energy efficiency,	Milestone	The annual application rounds for the

	green heating and CCS - Energy efficiency in industry		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 - Digitisation - Framework for Denmark fit for a digital future (Sub-reform E)	Target	The government adopts 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'.
		Instalment Amount	EUR 544 703 533

3.3. Third Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
39	4 - Green Tax Reform - Emission taxes on industries	Milestone	The bill on the green tax reform including the increased emissions tax on industry is adopted by the Danish parliament and the initiative enters into force for all industries except

			agriculture and mineral proc.
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.
77	7 - Green Research and Development - Incentives to boost R&D in companies	Milestone	500 firms have used the tax deduction provided by the deductions for research and development work
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 Trial Nation and 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 CCS - CCS-storage potential	Milestone	Completion of feasibility study for CCS-storage. The government takes a decision for follow-up.
55	6 - Digitisation - Digital strategy	Milestone	Implementation of the digital strategy into relevant regulatory and legislative acts.
63	6 - Digitisation - SME's digital transition and trade	Target	Minimum 550 SMEs have received funding for digital projects
		Instalment Amount	EUR 174 041 318

3.4. Fourth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
45	5 - Sustainable Road Transport - Development test of road-pricing	Milestone	Publication of results from the test scheme on road-pricing.
33	4 - Green Tax Reform - Investment window	Milestone	1 000 companies have used the tax deduction provided by the investment window
36	4 - Green Tax Reform - Accelerated depreciation	Milestone	1 000 companies have used the tax deduction provided by the accelerated depreciation.
14	2 - Green transition of Agriculture and the Environment - Carbon rich soils	Target	Projects that represent taking 2350 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 CCS - Energy efficiency in industry	Target	At least 16 PJ (Peta Joule) of energy saved in the industry thanks to the energy efficiency scheme.
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 has been built
		Instalment Amount	EUR 177 305 956

3.5. Fifth Instalment (non-repayable support):

Sequential Number	Related Measure (Reform or Investment)	Milestone / Target	Name
20	3 - Energy efficiency,	Milestone	Selection of recipients of funds for replacing

	green heating and CCS - Replacing oil burners and gas furnaces		oil burners and gas furnaces
29	3 - Energy efficiency, green heating and CCS - Energy efficiency in households	Milestone	Selection of beneficiaries of funds for energy renovation in private households.
40	4 - Green Tax Reform - Emission taxes on industries	Milestone	Tax increase on emissions from industry enter into force for all industries including agriculture and mineral proc.
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
50	5 - Sustainable Road Transport - Subsidy scheme to green ferries	Target	At least 15 ferries has been exchanged or retrofitted to green ferries.
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.
7	2 - Green transition of Agriculture and the Environment - Organic farming	Target	At least 40 projects under The Foundation for Organic Farming completed.
9	2 - Green transition of Agriculture and the Environment - Organic Innovation Centre	Target	At least 6 projects supporting organic innovation have been completed
26	3 - Energy efficiency, green heating and CCS - Energy renovations in public buildings	Target	Improvement of energy rating for 40% of supported municipal and regional buildings with D-G rating
43	5 - Sustainable Road Transport - Re-prioritisation of the registration tax of vehicles and low electricity tax on charging electric vehicles	Target	At least 225 000 zero- and low emission cars in the Danish car stock.
56	6 - Digitisation - Digital strategy	Milestone	Independent report on the achievements of the digital strategy
57	6 - Digitisation -	Target	At least 7 public authorities have received

	Strategy for the digital public sector and services of the future (Sub-reform A)		funding for artificial intelligence (AI) projects
58	6 - Digitisation - Strategy for the digital professions and jobs of the future (Sub-reform B)	Target	At least 500 SME's have received funding for digital projects
59	6 - Digitisation - Framework for innovation, public-private partnerships and use of new technology (Sub-reform C)	Target	At least 30% of public innovations is done in public-private partnerships
60	6 - Digitisation - Framework for data data-driven society (Sub-reform D)	Target	At least 4 public institutions have developed or received support to develop solutions to store and reuse personal information
8	2 - Green transition of Agriculture and the Environment - Organic transition of public kitchens	Target	Increase the share of organic products used in public kitchens to at least 35%.
12	2 - Green transition of Agriculture and the Environment - Climate technologies in agriculture	Target	Setup of 1 full-scale biorefinery.
		Instalment Amount	EUR 238 414 730

3.6. 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 4700 hectares of carbon rich soil out of production have had undertakings.
18	2 - Green transition of Agriculture and the	Target	The remediation of at least 4 different contaminated sites is initiated.

	Environment - Rehabilitation of industrial sites and contaminated land		
21	3 - Energy efficiency, green heating and CCS - Replacing oil burners and gas furnaces	Target	At least 10 100 individual oil burners or gas furnaces has been replaced with district heating or heat pumps
30	3 - Energy efficiency, green heating and CCS - Energy efficiency in households	Target	At least 6125 energy renovation projects in private households have been completed
		Instalment Amount	EUR 70 431 783

SECTION 3: ADDITIONAL ARRANGEMENTS

4. 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.

5. 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.