

# DENMARK'S RECOVERY AND RESILIENCE PLAN

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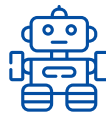
## KEY FIGURES

**EUR 1.6 billion** in grants  
*0.5 % of GDP<sup>1</sup>*

**59%** value of **payments requested**  
*corresponding to  
46 % of milestones/targets*



**Climate Target**  
**69 %**



**Digital Target**  
**27 %**



**Social Spending**  
**4 %**

## WHAT ARE THE MAIN CHARACTERISTICS OF THE DANISH PLAN?

### GREEN GAME-CHANGER

More than two thirds of the measures in the Plan are dedicated to renewable energy, cleaner mobility, green research, and more climate-friendly taxation.

### DIGITALLY SMART

More than a quarter of the Plan is devoted to digitalising businesses, with a focus on SMEs and public administration, and to improving broadband access.

### FUTURE-READY

The Plan helps Denmark's economy and society thrive by investing in the skills needed for the green transition.

<sup>1</sup> Based on GDP in current prices for 2021.

## HOW DOES THE DANISH PLAN **HELP CITIZENS?**

It helps **improve people's quality of life** by promoting **sustainable transport and housing**, reducing **pollution and CO<sub>2</sub>-emissions**, and increasing connectivity through high-speed broadband.

### FLAGSHIP EXAMPLES

#### Making local ferries greener



Domestic ferries are essential for the cohesion of the country. Denmark has about 70 inhabited islands, home to more than 100,000 people. **Most islands are only served with ferries.** The ferries cause annual emissions of about 220,000 tonnes of CO<sub>2</sub>.

**Through the Plan, at least 11 of Denmark's 66 domestic ferries using fossil fuels will be made hybrid or electric to protect the environment** and secure the future of **eco-friendly local transport.**

This can **reduce** each ferry's **CO<sub>2</sub>-emissions by up to 70%.**

#### Financial help to buy hybrid or electric cars



Combustion-engine cars are a major source of pollution and CO<sub>2</sub> emissions. Incentivising Danes to switch to electric cars is a vital step towards meeting Denmark's climate objectives and reducing pollution in urban and commuter areas:

- ▶ The **compulsory registration tax has been lowered for electric and hybrid cars.** A combustion engine car is taxed 165% of its total value. Electric and hybrid cars will until 2025 only be taxed 40% of their value above DKK 165,000 (EUR 22,000). The tax will increase stepwise in the following years.
- ▶ Through an increased scrapping premium, **more than 19,000 old diesel cars have been taken off the road.**

## HOW DOES THE DANISH PLAN **HELP BUSINESSES?**

It helps make **future-oriented green investments that reduce emissions** and increase **digitalisation of businesses**.

### FLAGSHIP EXAMPLES

#### Tax incentives in the green tax reform



**The green tax reform boosts green investments by businesses through new tax incentives. It notably increases the taxes on fossil energy and reduces taxes on sustainable energy:**

- ▶ The "investment window" allows companies to deduct from their taxes a larger share of their investment costs, thus incentivising the modernisation of their equipment and allowing them to **save energy** and reduce **CO<sub>2</sub>-emissions**.
- ▶ The investment window is accompanied by increased taxes on fossil energy for all industries: A supplement of DKK 100 (EUR 13.5) per tonne of CO<sub>2</sub> will lead to a reduction in greenhouse gas emissions.

#### New Digital Strategy



**A new Digital Strategy has been in place since May 2022, with some aspects still being rolled out.** It will deliver:

- ▶ An improved digital public sector which will start using artificial intelligence (7 new AI projects by 2025);
- ▶ Financial support to digitalise at least 500 SMEs and deliver more candidates for the jobs of the future;
- ▶ Better conditions for innovation thanks to public-private partnerships;
- ▶ New safe and secure solutions to store and reuse personal information;
- ▶ A new, stronger cyber- and information security Strategy.

## HOW DOES THE DANISH PLAN **STRENGTHEN OUR UNION?**

It helps develop **innovative solutions to combat climate change** and paves the way for **innovation in industry and agriculture**.

### FLAGSHIP EXAMPLES

#### Innovative carbon capture and storage or use of CO<sub>2</sub>



The RRP supports a **public-private partnership to develop new ways to increase carbon capture, usage and storage**. The collaboration:

- ▶ Involves more than 80 partners;
- ▶ Provides unique opportunities for research and innovation to reduce CO<sub>2</sub> in the atmosphere.

#### Climate-friendly technologies in agriculture



About 60% of Danish land is used for agriculture.

The RRP supports projects that **reduce greenhouse gas emissions in the agricultural sector**:

- ▶ 1 full-scale bio refinery will **test and scale-up the most promising technologies** on the market **to increase carbon storage** in the agricultural sector;
- ▶ 4,700 hectares of carbon rich soil will no longer be used for growing crops, reducing CO<sub>2</sub> emissions.

For more information: [Denmark's recovery and resilience plan — European Commission \(europa.eu\)](https://european-council.europa.eu/media/en/press-room/pages/press-room.aspx?pid=14777)