



**Next
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EU**

DENMARK'S RECOVERY AND RESILIENCE PLAN

#NEXTGENEU | FEBRUARY 2024

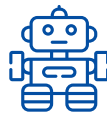
KEY FIGURES

EUR 1.6 billion in grants
0.5 % of GDP¹

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.

¹ 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 CO₂-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 CO₂.

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 **CO₂-emissions by up to 70%.**

Financial help to buy hybrid or electric cars



Combustion-engine cars are a major source of pollution and CO₂ 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 **CO₂-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 CO₂ 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.

