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COMMISSION IMPLEMENTING DECISION

of 13.4.2023

**on the authorisation of the disbursement of the first instalment of the non-repayable
support for Denmark**

(Only the Danish text is authentic)

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THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility¹, and in particular Article 24(5) thereof,

Whereas:

- (1) According to Article 4(2) of Regulation (EU) 2021/241, the specific objective of the Recovery and Resilience Facility is to provide Member States with financial support with a view to achieving the milestones and targets of reforms and investments as set out in their recovery and resilience plans.

Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Denmark² (the ‘Council Implementing Decision’) provides that the Union is to release instalments in accordance with the Financing Agreement conditional on a decision by the Commission, taken in accordance with Article 24(5) of Regulation (EU) 2021/241, that Denmark has satisfactorily fulfilled the relevant milestones and targets identified in relation to the implementation of the recovery and resilience plan.

- (2) On 16 December 2022, Denmark submitted a request for payment, accompanied by a management declaration and a summary of audits. The request concerned the first instalment of the non-repayable support. Pursuant to Article 24(3) of Regulation (EU) 2021/241, the Commission assessed on a preliminary basis whether the relevant milestones and targets set out in the Council Implementing Decision had been satisfactorily fulfilled. For the purpose of this assessment, the operational arrangements concluded between the Commission and Denmark³ in accordance with Article 20(6) of Regulation (EU) 2021/241, were taken into account.
- (3) The Commission made a positive preliminary assessment of the satisfactory fulfilment of 25 relevant milestones and targets related to the non-repayable support and, in accordance with Article 24(4) of Regulation (EU) 2021/241, provided its findings to the Economic and Financial Committee asking for its opinion on the satisfactory fulfilment of the relevant milestones and targets. In accordance with Article 25(4) of

¹ OJ L 57, 18.2.2021, p. 17.

² ST 10154/21, ST 10154/21 ADD 1, not yet published.

³ Recovery and Resilience Facility Operational arrangements between the European Commission and Denmark, entered into force on 4 August 2022.

that Regulation, the Commission provided the competent committee of the European Parliament with an overview of its preliminary findings concerning the satisfactory fulfilment of the relevant milestones and targets. The Economic and Financial Committee agreed with the Commission's positive preliminary assessment and was of the opinion that Denmark has satisfactorily fulfilled all the milestones and targets associated with the payment request. The Commission has taken the opinion of the Economic and Financial Committee into account for its assessment.

- (4) Section 2(3)(3.1) of the Annex to the Council Implementing Decision provides the relevant milestones and targets that are to be satisfactorily fulfilled for the first instalment of the non-repayable support for an amount of EUR 346 503 784.
- (5) Milestone 1 provides for the assessment and reporting by the Danish Medicines Agency of the stocks of critical medicines in the secondary health sector of Denmark. The evidence provided by Denmark demonstrates that the authorities monitored and ensured the adequacy of the stock of critical medicines, in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (6) Milestone 2 provides for an evaluation by the Central Region on telemedicine solutions of health anxiety related to the COVID-19 pandemic. The evidence provided demonstrates that the Danish Central Region issued an evaluation report on a project on telemedicine solutions for COVID-19-triggered health anxiety, that this evaluation report provides for the further development and increase in the use of telemedicine and patient involvement, and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (7) Target 3 provides for the development and operationalisation of the software application ContactDoctor (*KontaktLæge*) for a second mobile device platform, namely the iOS mobile platform. The evidence provided by Denmark demonstrates that the application was developed for iOS devices in addition to the already-existing Android devices, thus being available on two mobile platforms, in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (8) Target 6 provides for the implementation of an optional IT-system to report on the side effects of the COVID-19 vaccines into 1250 additional general practitioners' digital platforms. The evidence provided by Denmark demonstrates that the Danish Medicines Agency has ensured that the IT-system is operational and is used by general practitioners, in line with the requirements of the target. On the basis of the due justification provided, the target should be considered as satisfactorily fulfilled.
- (9) Milestone 11 provides for the completion of the call for applications for the subsidy schemes for climate technologies in agriculture (brown biorefineries). The evidence provided by Denmark demonstrates that the call for applications for the subsidy schemes for climate technologies in agriculture (brown biorefineries) had been duly completed, and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (10) Milestone 13 provides for the completion of the call for applications for the subsidy scheme for rewetting and taking carbon rich soils out of production. The evidence provided by Denmark demonstrates that the call for applications for the subsidy

scheme for rewetting and taking carbon rich soils out of production has been duly completed, and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (11) Milestone 19 provides for a political agreement between the Danish government and a majority of the parliament on the allocation of funds for the support schemes for replacing oil burners and gas furnaces with electric heat pumps and district heating. The political agreement outlines the allocation of 645 million DKK to the support schemes. The evidence provided by Denmark demonstrates that 645 million DKK have been allocated amongst the three schemes: a) Scrapping scheme (*Skrotningsordningen*); b) Decoupling (*Afkoblingsordningen*); c) District Heating pools (*Fjernvarmepuljen*), and that its contents and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires the conclusion and publication of the political agreement. Whilst the political agreement of 30 November 2021 was not published, its conclusion is evidenced by the supplementary appropriations act for the financial year 2021, which demonstrates that this political agreement was followed. This also proves that the political agreement of 17 March 2021 was superseded by the political agreement of 30 November 2021 in terms of budgetary execution, and that the scheme was conducted using the amended allocation. Therefore, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (12) Milestone 22 provides for the adoption, publication, and entry into force of the legal framework for the subsidy scheme for energy efficiency in industry. The evidence provided by Denmark demonstrates that Consolidated Act No. 1897 of 1 October 2021 setting the legal basis for energy efficiency subsidy schemes in general entered into force on 1 July 2021, that Administrative Order No.2237 of 1 December 2021 on grants for energy savings and energy efficiency improvements in commercial enterprises entered into force 1 January 2022, that both legal acts were published in the Official Journal, and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (13) Milestone 25 provides for the publication of the statutory order establishing the subsidy scheme for energy renovations in public buildings, defining the conditions for receiving funding. The evidence provided by Denmark demonstrates that Government Order No. 1816 of 14 September 2021 on subsidies for energy improvements and digital solutions in municipal and regional buildings was published in the Official Journal, and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (14) Milestone 27 provides for the award of contracts for selected applicants for a carbon capture and storage (CCS) feasibility study in depleted oil and gas fields in the Danish part of the North Sea, selected after an open selection procedure. The evidence provided by Denmark demonstrates that a contract was awarded to the selected applicant, and that its content and objectives are in line with the requirements of the milestone. The Council Implementing Decision states that the milestone shall be reached when the selection of applicants for the carbon capture and storage (CCS) feasibility study is completed. Only one project was awarded and thus one applicant selected. The project was selected following an open selection procedure and the

description of the awarded project demonstrates that it targets the 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, in line with the Council Implementing Decision requirements. Therefore, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (15) Milestone 31 provides for a political agreement on the investment window for business investment. The evidence provided by Denmark demonstrates that the political agreement was reached and that investments within this investment window will benefit from a tax rebate, implying an economic incentive for such investments, and that its content and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires the signature of the political agreement. In accordance with Danish parliamentary procedures, political agreements are not signed. They are agreements amongst legislative coalitions obliging the parties to vote in favour of the agreed law or legislative package in Folketinget and give all parties in the conciliation community a veto right in relationship to amendments to the consensual legislation. Nonetheless, the agreement of the political parties is evidenced by the publication of the document and the presence of the respective parties on the first page of the agreement. Therefore, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (16) Milestone 32 provides for the adoption and entering into force of a bill on the green tax reform including the investment window for business investment. The evidence provided by Denmark demonstrates that Government Law No 672 of 19 April 2021 amending the Depreciation Act, the Tax Assessment Act, the Pension Return Tax Act and the Sulphur Tax Act has been adopted and entered into force on 21 April 2021, that it was published in the Official Journal, and that its contents and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (17) Milestone 34 provides for a political agreement establishing an accelerated depreciation for business investment. The evidence provided by Denmark demonstrates that the political agreement was reached and that investments within this accelerated depreciation benefit from immediate (as opposed to four yearlong) depreciation, implying an economic incentive for such investments, and that its contents and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires the signature of the political agreement. As explained in Recital 15, in accordance with Danish parliamentary procedures, political agreements are not signed. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (18) Milestone 35 provides for the adoption and entering into force of a bill on the accelerated depreciation for business investment. The evidence provided by Denmark demonstrates that Government Law No 672 of 13 April 2021 amending the Depreciation Act, the Tax Assessment Act, the Pension Return Tax Act and the Sulphur Tax Act has been adopted and entered into force on 21 April 2021, that it was published in the Official Journal, and that its contents and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (19) Milestone 38 provides for a political agreement on an increase in the emissions tax on industry. The evidence provided by Denmark demonstrates that the agreement on the green tax reform including an increased emissions tax on industry was reached and that its contents and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires the signature of the political agreement. As explained in Recital 15, in accordance with Danish parliamentary procedures, political agreements are not signed. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (20) Milestone 41 provides for the entry into force of the legal act that re-prioritises the registration tax of vehicles and the low electricity tax on charging electric vehicles. The evidence provided by Denmark demonstrates that Legislative Act No. 203 of 13 February 2021 amending the Registration Tax Act, the Fuel Consumption Tax Act, the Tax Assessment Act and various other Acts entered into force on 13 February 2021, was published in the Official Journal, that it establishes the new taxation regime for zero or low-emission vehicles, and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (21) Milestone 44 provides for a political agreement on the conduction of the test scheme on road pricing. The evidence provided by Denmark demonstrates that the political agreement initiates the development of road pricing tests, and that its content and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires that a political agreement shall be reached on the description of the test-scheme and the organisation of the test. The political agreement on Green transition of road transport was adopted by the government and the parliament, with a majority of 91 votes out of 179 on 4 December 2020. On the basis of this agreement, the Danish Technical University (DTU) drafted a technical document including the ‘Description and organization for road pricing test scheme’, which sets forth the requirements from the Council Implementing Decision. The political agreement of 4 December 2020 only established that the scheme shall take the form of a public-private cooperation, without including any specifications regarding the description of the test scheme nor the organisation of the test. To this end, the technical document drafted on the basis of the political agreement establishes that the scheme shall take the form of a public-private cooperation and describes the test-scheme and the organisation of the test, in line with the requirements of the Council Implementing Decision. Thus, the content of the technical document on the ‘Description and organization for road pricing test scheme’ is evidence that the political agreement was followed in drafting the technical document. Additionally, the letter of approval of 1 July 2022 concerning the project ‘test development of road pricing for passenger cars’ demonstrates that the project has started and that the Government, the Social Liberal Party, the Socialist People’s Party and the Unity Party have not objected to the implementation of the political agreement through this project and on the basis of the technical document developed by the Danish Technical University. Therefore, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (22) Milestone 46 provides for the publication of a report on the analysis of the national regulation on weight and dimensions to optimise heavy haulage. The evidence provided by Denmark demonstrates that the report was published on the website of the Danish Road Traffic Authority on 31 December 2021. It includes a cost-benefit

analysis of the potential emissions reductions and of the potential financial consequences, proposals for further adjustments of the current regulation on weight and dimension, with estimated climate effects, description of traffic safety conditions and costs, and its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (23) Milestone 48 provides for the publication of an analysis on double trailers for road safety, vehicle engineering, road engineering and environmental conditions. The evidence provided by Denmark demonstrates that the report on the findings of the analysis of test scheme with double trailers was published on the website of the Danish Ministry of Transport on 22 December 2021. It includes proposals for a pilot road network for double trailers, and its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (24) Milestone 49 provides for a political agreement on the green transition of ferries. The evidence provided by Denmark demonstrates that a political agreement was reached defining the selection criteria of green ferries, and its content and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires the signature of the political agreement. As explained in Recital 15, in accordance with Danish parliamentary procedures, political agreements are not signed. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (25) Milestone 64 provides for the selection of the roadmaps for the mission 'carbon capture and storage or use of CO₂' by Innovation Fund Denmark. The evidence provided by Denmark demonstrates that two selected roadmaps for the mission 'carbon capture and storage or use of CO₂' were published by Innovation Fund Denmark following the launch of the open call for Innomission partnerships and subsequent independent evaluation process, and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (26) Milestone 67 provides for the selection of the roadmaps for the mission 'green fuels for transport and industry' by Innovation Fund Denmark. The evidence provided by Denmark demonstrates that two selected roadmaps for the mission for 'green fuels for transport and industry' were published by Innovation Fund Denmark following the launch of an open call for Innomission partnerships and subsequent independent evaluation process, and that their content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (27) Milestone 70 provides for the selection of the roadmaps for the mission 'climate- and environment friendly agriculture and food production' by Innovation Fund Denmark. The evidence provided by Denmark demonstrates that the selected roadmap for the mission for 'climate- and environment friendly agriculture and food production' was published by Innovation Fund Denmark following the launch of the open call for Innomission partnerships and subsequent independent evaluation process, and that its content and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires the selection of mission roadmaps. Innovation Fund Denmark has selected one roadmap instead of multiple. The selected roadmap, 'AgriFoodTure', is based on collaborative efforts between universities, industry and

organisations and provides all required elements from the Council Implementing Decision. Therefore, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.

- (28) Milestone 73 provides for the selection of the roadmaps for the mission ‘circular economy focusing on reuse and reduction of plastic and textile waste’ by Innovation Fund Denmark. The evidence provided by Denmark demonstrates that the selected roadmap for the mission for ‘circular economy focusing on reuse and reduction of plastic and textile waste’ was published by Innovation Fund Denmark following the launch of the open call for Innomission partnerships and subsequent independent evaluation process, and that its content and objectives are in line with the requirements of the milestone. The Council Implementing Decision requires the selection of mission roadmaps. Innovation Fund Denmark has selected one roadmap instead of multiple. The selected roadmap, ‘Circular economy with a focus on plastics and textiles, ‘A 2030 & 2050 Roadmap’, is based on collaborative efforts between universities, industry and organisations and provides all required elements stemming from the Council Implementing Decision. Therefore, it is considered that this constitutive element of the milestone is satisfactorily fulfilled. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (29) Milestone 76 provides for the entry into force of the bill on deductions for research and development. The evidence provided by Denmark demonstrates that the law on the green tax No. 2020/1 LSV 178 for the establishment of a deduction scheme for all companies to frontload investments in research and development entered into force on 21 April 2021, that it was published in the Official Journal, and that its content and objectives are in line with the requirements of the milestone. On the basis of the due justification provided, the milestone should be considered as satisfactorily fulfilled.
- (30) Following the fully positive assessment concerning the Kingdom of Denmark’s payment request, in accordance with Article 24(5) of Regulation (EU) 2021/241, the disbursement of the financial contribution for the first instalment of the non-repayable support should be authorised.
- (31) In accordance with Article 2(3) of the Council Implementing Decision, as specified in the Financing Agreement, the pre-financing of the financial contribution shall be cleared by being proportionally deducted against the payment of the instalments. As Denmark received 13% of the financial contribution as pre-financing, an amount of EUR 45 045 492 of the payment should be utilised to clear the pre-financing, equal to 13% of the instalment.
- (32) This Decision should be without prejudice to procedures relating to distortions of the operation of the internal market that may be undertaken, in particular under Articles 107 and 108 of the Treaty on the Functioning of the European Union. It does not override the requirement for Member States to implement the measures in accordance with Union and national law and, in particular, to notify instances of potential State aid to the Commission under Article 108 of the Treaty on the Functioning of the European Union.
- (33) The measures provided for in this Decision are in accordance with the opinion of the Committee established by Article 35(1) of Regulation (EU) 2021/241,

HAS ADOPTED THIS DECISION:

Article 1

Authorisation of the disbursement of the non-repayable support

The disbursement of the first instalment of the non-repayable support as laid down in Section 2(3)(3.1) of the Annex to the Council Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan for Denmark for an amount of EUR 346 503 784 is authorised.

In accordance with the Financing Agreement concluded pursuant to Article 23(1) of Regulation (EU) 2021/241 between the Commission and the Kingdom of Denmark, EUR 45 045 492 shall be utilised to clear the pre-financing of the financial contribution and EUR 301 458 292 shall be provided to Denmark by means of payment to the bank account indicated in the Financing Agreement.

Article 2

Addressee

This Decision is addressed to the Kingdom of Denmark.

Done at Brussels, 13.4.2023

For the Commission

Paolo GENTILONI

Member of the Commission