



Questions and answers: European Commission endorses Denmark's €1.5 billion recovery and resilience plan

Brussels, 17 June 2021

How did the Commission assess Denmark's recovery and resilience plan?

The Regulation ensures a transparent assessment on the basis of 11 criteria against the back of the six pillars of the Regulation. The 11 criteria require an assessment of whether:

- the measures have a lasting impact;
- the measures address the challenges identified in the country specific recommendations or a significant subset of it;
- the milestones and targets which allow for monitoring the progress with the reforms and investments are clear and realistic;
- the plans meet the 37% climate expenditure target and the 20% digital expenditure target;
- the plans respect the do no significant harm principle;
- the plans provide an adequate control and audit mechanism and set out the plausibility of the costing information.

The Commission has summarised its assessment in the proposal for the Council Implementing Decision. The accompanying staff-working document provides detailed documentation on the assessment.

Does Denmark's recovery and resilience plan effectively support the green transition?

The Danish plan's contribution to the green transition amounts to 59% of its total allocation of €1.5 billion. This is in excess of the minimum of 37% required by the RRF Regulation.

The measures in the plan should accelerate the green transition, enhance biodiversity and protect the environment. They support Denmark's decarbonisation and energy objectives, as set out in the 2030 national energy and climate plan and are thus a step towards achieving carbon neutrality by 2050. It includes a broad set of measures improving the energy efficiency of buildings and industry, promoting sustainable mobility, supporting organic farming, and facilitating green research and innovation. In sum, measures supporting environmental, biodiversity and climate change objectives account for 59% of the plan's total allocation.

Specific measures to support securing Denmark's green transition include €259 million for green transportation and €85 million for renovations to improve energy efficiency. The plan also includes €94 million to support public-private research cooperation to accelerate the development of climate-friendly technology solutions, including carbon capture and storage.

The measures support Denmark's decarbonisation and energy objectives as set out in the National Energy and Climate Plan 2030 and thus are a step towards achieving carbon neutrality by 2050 at the latest.

Does Denmark's recovery and resilience plan effectively contribute to the digital transition?

The Danish plan's contribution to the digital transition amounts to 25% of its total allocation of €1.5 billion. This is in excess of the minimum of 20% required by the RRF Regulation.

The plan promotes the digital transformation by incentivising digital investments and a new strategy to address future digitalisation challenges. Targeted measures will focus on the digitalisation of SMEs, extending rural broadband coverage and digitalisation in the healthcare sector. An ambitious reform agenda under a new 'digital strategy' is envisaged, with the objective of further digitalising the public administration to address the emerging new digital challenges in this area.

Specific measures to support Denmark's digital transition include €67 million to further digitalise the public administration and promote digitalisation within businesses and industries. It also includes €13 million for the rollout of high-speed internet access in rural areas and €9 million to support small and medium-sized enterprises in digitalising their business systems.

Does the recovery and resilience plan represent a balanced response to Denmark's economic and social situation?

The Commission considers that the Danish plan represents a comprehensive and adequately balanced response to the economic and social situation, thereby contributing appropriately to all six pillars referred to in the Regulation.

The plan stimulates growth and job creation and strengthening the healthcare system. It has a strong focus on the green transition with energy and climate related measures in five out of seven components. Measures include implementing a green tax reform, promoting investments in energy efficiency, sustainable road transport, agriculture and green research and development. The plan addresses digital related challenges in multiple areas, such as creating a new national digital strategy, supporting small and medium-sized enterprises (SMEs) investments in digitalisation, extending rural broadband coverage and pursuing digitalisation of the healthcare sector. General tax schemes are expected to incentivise frontloading of green, digital and research and development related investment while the green tax reform is expected to accelerate the green transition.

All measures underpinning the plan's components extensively cover policies contributing to smart, sustainable, and inclusive growth, jobs, competitiveness, and a well-functioning internal market. The plan has a robust R&D focus with more than 17% of the total spending earmarked for green R&D projects.

Do the reforms effectively address a significant subset of relevant country-specific recommendations issued to Denmark in the context of the European Semester?

Denmark's plan includes an extensive set of mutually reinforcing reforms and investments that contribute to effectively addressing all or a significant subset of the country-specific recommendations (CSRs) addressed to Denmark by the Council in the European Semester in 2019 and in 2020.

The plan includes measures in the areas of energy, climate and digital investments, resilience of healthcare as well as research and development.

The plan has a robust R&D focus. It includes funding for R&D public-private partnerships focusing on the green transition as well as temporarily raising the general threshold for research and development tax deductibility to foster such investments.

The plan contains measures that are expected to increase the resilience of the healthcare system. It involves infrastructure and logistics support to ensure stocks of critical drugs and the emergency management and monitoring of critical medical products.

For More Information

[Press release: European Commission endorses Denmark's €1.5 billion recovery and resilience plan](#)

[Recovery and Resilience Facility: Questions and answers](#)

[Factsheet on Denmark's recovery and resilience plan](#)

[Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Denmark](#)

[Annex to the Proposal for a Council Implementing Decision on the approval of the assessment of the recovery and resilience plan for Denmark](#)

[Staff-working document accompanying the proposal for a Council Implementing Decision](#)

[Recovery and Resilience Facility](#)

[Recovery and Resilience Facility Regulation](#)

Press contacts:

[Marta WIECZOREK](#) (+32 2 295 81 97)

[Enda MCNAMARA](#) (+32 2 296 49 76)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)