

## Denmark

### 1. EU Competitiveness

<b>Question 1</b>	To what extent do you consider the European Commission's overall policy stance supportive of competitiveness and growth compared to 12 months ago?	Slightly better
<b>Question 2</b>	In light of the legislative changes introduced and implemented by the European Commission, how would you evaluate the evolution of administrative burden compared to a year ago?	Unchanged
<b>Question 3</b>	How do you think the EU investment environment is seen by global firms compared to 12 months ago?	Slightly worse
<b>Question 4</b>	What does your federation see as the three main challenges threatening the attractiveness of the EU as an investment environment vis-a-vis international competitors?	<ol style="list-style-type: none"> <li>1. Energy prices</li> <li>2. Regulatory Environment</li> <li>3. Demographic change</li> </ol>

**2. National Recovery and Resilience Plans**

<b>Question 8</b>	How satisfied or dissatisfied are you with the way your country is implementing the national recovery and resilience plan?	Neutral
<b>Question 9</b>	How satisfied or dissatisfied are you with the involvement of social partners in the implementation so far of your national recovery and resilience plan?	Neutral
<b>Question 10</b>	How effective do you think the European Commission is being in ensuring strong implementation of the reforms in the national recovery and resilience plans across the EU?	Somewhat confident

### 3. Assessment of Country Specific recommendations 2023 in detail

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 1	Wind down the emergency energy support measures in force, as soon as possible in 2023 and 2024. Should renewed energy price increases necessitate new or continued support measures, ensure that such support measures are targeted at protecting vulnerable households and firms, are fiscally affordable and preserve incentives for energy savings. While maintaining a sound fiscal position in 2024, preserve nationally financed public investment and ensure the effective absorption of grants under the Facility and of other Union funds, in particular to foster the green and digital transitions. For the period beyond 2024, continue to pursue investment and reforms conducive to higher sustainable growth and preserve a prudent medium-term fiscal position. Implement the new property tax system in order to restore the link between market prices and taxes and ensure fairer taxation. Accelerate investment in the construction of affordable housing to alleviate the most pressing needs.	Extremely important	Mixed	
CSR 2	Continue the steady implementation of its recovery and resilience plan and, following the recent submission of the addendum, including the REPowerEU chapter, rapidly start the implementation of the related measures. Proceed with the speedy implementation of cohesion policy programmes, in close complementarity and synergy with the recovery and resilience plan.	Important	No progress	

		Q1: The recommendation is:	Q2: implementation on effort is:	Detailed comments
CSR 3	Strengthen circular economy and waste management policies, including by accelerating the implementation of Denmark's national action plan for circular economy, promoting waste prevention and reuse of municipal and other waste, increasing recycling rates, reducing food waste, and shifting away from the incineration of municipal waste to greener sources of heat generation	Extremely important	Mixed	
CSR 4	Reduce reliance on fossil fuels and increase the share of renewables in the energy supply. Address increasing demand and flexibility needs by incentivising the necessary electricity network developments at transmission and distribution level. Streamline the applicable permitting rules for renewable energy. Implement additional measures that support energy efficiency in private and public buildings to reduce energy bills and energy system costs. Ensure a better roll-out of decarbonised heating sources. Step up policy efforts aimed at the provision and acquisition of skills and competences needed for the green transition.	Extremely important	Satisfactory	
				No CSR on education- and labour market policy

#### **4. Reform Progress in your Member State in 2023**

How would you assess reform progress in 2023, for the following broad areas:

<b>Taxation and Public Finances</b>	Mixed
<b>Business environment (regulation/access to markets)</b>	Mixed
<b>Labour market</b>	Mixed
<b>Innovation and skills</b>	Satisfactory
<b>Access to finance and Financial stability</b>	No progress

**Is there any example of an economic reform, specific to your country that BusinessEurope could highlight in its 2024 Reform Barometer?**

In order to create financial incentives for seniors to still be employed in the labour market, three concrete initiatives have been taken in Denmark:

- New legislation from January 2023 which means that a spouse or cohabitant of a pension recipient can take up work without the work income leading to a reduction in their spouse's or cohabitant's pension.
- New legislation from January 2024 to abolish offsetting in the public pension as a result of own work income. The initiative will have retrospective effect from January 2023.
- A special senior premium which rewards people for being in a job one or two years after the official state pension age, which is currently 67 years for people born after July 1955. The premium is tax-free and amounts in 2024 to approx. 6,300 euros the first year and approx. 3.700 euros the second year.

## 5. Reform priorities for 2024

	I. Policy Area	II. Concrete Recommendations	III. Are the proposed recommendations already in the agenda of your Government?
<b>Priority 1</b>	Labour supply measures for specific groups (older workers, women)	Reform the early retirement and early pension schemes, more young people in work and faster routes through the education system. Efforts for the 45,000 young people without education. Improved access to non-EU labour.	yes
<b>Priority 2</b>	R&D and Innovation	Preserve the 130 pct. R&D deduction without ceiling. Increase public R&D to 1½ % of GDP	yes
<b>Priority 3</b>	Public sector efficiency	Streamlining the public sector (public employment back to pre covid19 levels) and increased competition for public services. Reduce the number of part time employed in the public sector. Reform of the jobcenter system.	yes
<b>Priority 4</b>	Labour market mismatch and labour mobility	Focus on more skilled workers. More practical content in education programs.	yes
<b>Priority 5</b>	Business Dynamics - start-up conditions	Introduce a more simple system capital and share taxation and a flat rate of 30%. Taxation on sales of the company should follow actual payments. Postpone the compulsory transition to stock taxation when listing Small Cap companies on the stock exchange	no

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