

**Annex 2. Reporting table for the assessment of CSRs and key macro-structural reforms – Quantitative assessment of selected reforms – DENMARK**

CSR number	CSR sub-categories	Number and short title of the measure	Methodological elements		Quantitative elements						
			Relevant features of the model used/estimation technique	Main macroeconomic/ simulation assumptions	Main outcome of macroeconomic simulations					Other impacts/ indicators	
					Description	Yearly and cumulated effect on GDP and other main macroeconomic variables <sup>1</sup>					
						Year t	Year t+1	Year t+2	Year t+3		Year t+n
CSR1:		<p><b>Measure 6:</b> Growth Package 2014</p> <p>The effects of the individual initiatives are calculated as sector specific changes in for example productivity, mark up's, product taxes, user cost etc.</p> <p>The principles behind the calculation of the partial effects are described in "Teknisk baggrund til Aftaler om vækstpakke 2014" by the Ministry of Finance, December 2014<sup>1</sup></p> <p>These partial effects are introduced as shocks to a new CGE model called REFORM, to capture the macroeconomic effects on The Danish economy.</p>	<p>The REFORM-model takes into account the interaction between the sectors in the Danish economy, including the allocation of labour, the accumulation of capital and the distortions deriving from imperfect competition.</p> <p>The REFORM-model is a static model and thus it describes the long-term structural effects on the Danish economy.</p> <p>The economic relations in the model represent a long-run equilibrium with consumers who choose their consumption optimally over time. Thus consumption and investments reflect optimal behavior for consumers and firms and the capital stock is determined endogenously.</p> <p>Further information regarding the underlying assumptions used when calculating the effects on the Danish economy can be found in the note</p>	GDP	N/A	N/A	N/A	N/A	0.3 pct. (structural effect in 2020)	-	
Private Consumption	N/A	N/A	N/A	N/A	0.3 pct. (structural effect in 2020)						
Gross capital formation	N/A	N/A	N/A	N/A	N/A						
Net exports	N/A	N/A	N/A	N/A	N/A						
Employment	N/A	N/A	N/A	N/A	1,300 (structural effect)						

<sup>1</sup> <http://www.fm.dk/nyheder/pressemeddelelser/2014/12/teknisk-baggrundsrapport-til-aftaler-om-vaekstpakke-2014/>

				<i>"Teknisk baggrund til Aftaler om vækstpakke 2014"</i> by the Ministry of Finance, December 2014 <sup>2</sup> and <i>"REFORM-modellen"</i> by Stephensen et. Al., December 2014 <sup>3</sup> .	Contribution of production factors to potential GDP (labour capital, TFP)	N/A	N/A	N/A	N/A	Labour, capital and TFP	
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<sup>i</sup> "+" signifies that the effect is positive, but less than 0.1% of GDP

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<sup>2</sup> <http://www.fm.dk/nyheder/pressemeddelelser/2014/12/teknisk-baggrundsrapport-til-aftaler-om-vaekstpakke-2014/>

<sup>3</sup> [http://www.dreammodel.dk/pdf/W2014\\_05.pdf](http://www.dreammodel.dk/pdf/W2014_05.pdf)