

National Insolvency Statistics Update: Denmark

In Denmark, the number of declared bankruptcy proceedings in 2023 was 6,948. In comparison, there were 7,818 bankruptcy proceedings in 2022 and 8,339 in 2021. In 2020 the number was low with only 5,614 declared bankruptcy proceedings compared to 8,474 in 2019, writes Michala Roepstorff (Partner at Plesner and INSOL Europe Country Coordinator).



The explanation to this is found in the government's COVID-19 initiatives, where companies were given extended deadlines to pay taxes, receive loans from the state, etc. As a result, a number of bankruptcies were postponed which may have influenced the numbers for 2021 and 2022. For a historical overview the average number of declared bankruptcy proceedings in the period 2009-2022 is 6,187 per year.

In 2023, the bankrupt companies had an average of DKK 7.7 million in annual revenue, which is 7 % below the average for the period 2009-2022. However, 63 % above the average for 2021, which was impacted by COVID-19.

Hereto, the bankrupt companies employed 4.8 full-time employees prior to the bankruptcy. When comparing the average number of full-time jobs affected, 2023 was 12% lower than the annual average for the period 2009-2022, but 14% higher than in 2021. The employment numbers for 2021, was likewise affected by COVID-19, and were extraordinarily low when looking at all the years since 2009.

The rules regarding **Preventive restructuring proceedings** went into force in Denmark on 17 July 2022. In 2023 only 7 cases were filed, compared to 9 cases in 2022. The intention with the rules is to give a more flexible restructuring process, facilitating the companies/business with tools which may enable them to act on an earlier stage and prevent bankruptcy proceedings. In general, the preventive restructuring proceedings have been used less than intended by the legislator.

After the implementation of the preventive restructuring proceedings, the rules on restructuring applicable prior to the implementation can be defined as the **Regular restructuring proceedings**. In 2023, 120 cases regarding regular restructuring proceedings were filed. To comparison, numbers from 2022 show filings of 139 cases in total. In 2021 the number of regular restructuring proceeding files was 65 times, and 79 times in both 2020 and 2019.

In 2023 the courts received 6,858 cases regarding **compulsory dissolution** (in Danish; "tvangsoploesning"), most of which led to bankruptcy proceedings, which is reflected in the numbers above regarding bankruptcy.

Sources: [Statistics Denmark](#); [Courts of Denmark](#)

Further statistics from Denmark and other jurisdictions can be found on our website [here](#).