



# GREEN POWER DENMARK

How a Small Member State used its  
Presidency to make the EU greener

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## **Abstract**

This thesis investigates how Denmark, as a small Member State, was able to use its 2012 Presidency to exert significant influence and further its interests via the Energy Efficiency Directive.

Denmark's influence is puzzling for three reasons: Firstly, it goes against the literature's expectations of a small Member State Presidency, which is supposed to work as an impartial chair. Secondly, energy policy has historically been a sensitive policy area, which has only integrated in a very limited manner and only very recently. Thirdly the Danish influence was significant in scope, especially considering the reluctance among big Member States such as Germany.

This thesis finds that Denmark succeeded, because it prioritized its Presidency according to viable coalitions, its own policy expertise, domestic coherence and cooperation with non-state actors. By doing so, Denmark was able to further its interests, while claiming to work for the 'common good' of the EU.

That conclusion is based on an analysis that combines interviews with politicians and civil servants with concepts from various theoretical frameworks based on the work of inter alia Elgström, Panke, Tallberg, Strömvik and Putnam.

In addition to solving the puzzle related to the Danish Presidency, this thesis provides a 'Presidency Toolbox' for small Member States to help them decide, what policies to focus on throughout their Presidencies.

*Key words:* EU Presidency, Negotiations, Denmark, Energy Efficiency, Coalition Building.

*Word count:* 19990.

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## **1. Introduction**

Imagine the 2012 Energy Efficiency Directive as a murder case.

There is a body (the directive). There is a crime scene (Copenhagen). No one expected the murder, since very little crime (policy integration) has been committed against this population group (energy policy). The question is, who did it – and how?

The usual suspects (big Member States) either lacked motives or had alibies, or both. In fact several of the usual suspects attempted to keep the victim safe and prevent the killing. On the body, one can identify distinct fingerprints of the host of the evening (Denmark), and a smoking gun belonging to the host himself (Article 7). The Dane even had a motive (political and commercial), had the capabilities (domestic energy efficiency reforms) and a criminal record (Presidency experience) suggesting a readiness to commit the crime.

Several witnesses have told this author that they believe that Denmark was involved. In addition, two accomplices (the Commission and the EP) have testified that they cooperated with the Danish host in planning and executing the murder. Lastly, the host himself (Martin Lidegaard) pled guilty and even bragged about the murder as an achievement.

While it is difficult to DNA-test legislation and prove influence, these factors make it probable that Denmark indeed used its Presidency to exert significant influence on the Energy Efficiency Directive and thereby furthered its own interests.

In this thesis the aim is to investigate that suspicion and thereby explain *how* a small Member State gained significant and surprising influence on a sensitive and contentious policy area (for an elaboration of this point, see page 13-15). The fact that energy policy is a sensitive and contentious policy area constitutes an important context, because it emphasizes how surprising and significant this directive was – a notion that only amplifies the academic curiosity of this case.

## **1.1 Puzzle**

This thesis concerns the Danish Presidency of 2012 and investigates how Denmark, as a small Member State, was able to use the Presidency to exert significant influence and further its interests via the Energy Efficiency Directive. What makes this case even more interesting is the notion that Denmark had an extreme position on this matter, compared to the rest of the Council, but still managed to influence the directive, while maintaining its role as broker.

The fact that Denmark had significant influence on the 2012 Energy Efficiency Directive is puzzling for at least three reasons: Firstly, it goes against the literature's expectations of a small Member State Presidency, which is supposed to work as an impartial chair, rather than further its own political and economic interests. Secondly, energy policy has historically been a sensitive policy area, which has only integrated in a very limited manner and only very recently. Thirdly the Danish influence was significant in scope, especially considering the reluctance among big Member States such as Germany. This gives rise to the following research question.

## **1.2. Research Question**

Why was Denmark able to make use of its 2012 Presidency to influence 'The Energy Efficiency Directive (2012/27/EU)'?

## **1.3. Main Argument**

This thesis argues that Denmark had significant influence, because it was able to use its Presidency to take advantage of six factors and thereby further its own political and economic interests via EU legislation:

1. Structurally Based Expectations.
2. Institutional Design.
3. Policy Expertise.
4. Member State Coherence.

5. Coalition Building.
6. Non-State Actors.

The two first factors are mainly developed by Ole Elgström and Jonas Tallberg – and have been used to explain negotiations during other EU Presidencies (see Bjurulf and Elgström 2005, 51; Elgström 2006, 186; Tallberg 2004, 1000). The last four factors are determined via this thesis' second analysis, which couples empirical qualitative data from interviews with politicians, civil servants, NGOs, lobbyists and think tank experts in Copenhagen, Brussels and London with theories relevant to EU negotiations and in particular the EU Presidency.

The six factors are found by two separate analyses. In the first analysis, the thesis tests hypotheses deduced from Elgström's and Tallberg's interesting frameworks, which are based on *Role Theory* and *Rational Institutionalism*. Thereby it is concluded that the frameworks are useful, but also that additional concepts are needed. Therefore the second analysis develops a new framework based on concepts from different theories, including *Small State Diplomacy*, *Negotiation Theory*, *Multilevel Governance* and *Bureaucratic Politics*.

The two analyses provide six factors that were important to the Danish Presidency's ability to further its interests. Thus the Research Question is answered and the particular academic and empirical puzzle linked to the 2012 Danish Presidency is thereby solved. In the third and final part of the thesis, a 'Presidency Toolbox' is constructed. This toolbox helps a small Member State determine what policies to focus on and what interests to pursue during its Presidency.

### *1.3.1. Brief overview of Analysis I: Applying Elgström and Tallberg*

Elgström's and Tallberg's respective frameworks for analyzing Member State Presidencies consist of three components. Firstly the Danish Presidency benefitted from effective agenda management and the role as 'broker'. This allowed it to suggest compromises in the Council, as well as with the Commission and the European

Parliament. By conducting these formal duties, Denmark could influence the direction and pace of the negotiations. This notion reflects what Elgström refers to as *Structurally Based Expectations* and Tallberg *Brokerage Constraints* and *Informal Norms*. Because these concepts are so close related, Elgström's *Structurally Based Expectations* will work as a reference point throughout this thesis.

Secondly, the Danish Presidency was able to use, what Elgström calls the *Institutional Design*, which includes asymmetrical access to information and asymmetrical control of the negotiations. Similarly Tallberg emphasizes these features, labeling them *Informational and Procedural Power Resources* (Tallberg 2004, 1002). Seeing as Tallberg's and Elgström's concepts are relatively close, Elgström's *Institutional Design* will work as the theoretical point of reference throughout this thesis. Denmark used these advantages to determine the process, including moving the negotiations from the work group level to the Coreper and Minister level at a relatively early stage. Thereby Denmark was able to benefit from the negotiation norms and the compromise norms that characterize the Coreper and Council levels.

The third component is the *Agency Based Expectations*, which is relatively similar to Tallberg's *Individual Sources of Power* (Tallberg 2008, 687). Therefore Elgström will work as the common point of reference. This concept focuses on factors such as domestic pressure, national self-image and culture. This concept had limited explanatory force, when coupling it with the empirical data, including interviews with politicians and civil servants. However four alternative concepts, which can be related to Elgström's *Agency Based Expectations* are presented. In that way, the second analysis is a refinement of some of the thoughts that Elgström and Tallberg have proposed.



### *1.3.2. Brief overview of Analysis II: Building on Elgström and Tallberg*

- 1) Policy Expertise.
- 2) Member State Coherence.
- 3) Coalition Building.
- 4) Non-State Actors.

Firstly, the Danish Presidency was able to use its extensive policy expertise on this matter by showing that the existing Danish energy efficiency legislation was working. By presenting a very concrete example of how this directive could function, Denmark was able to persuade other members of the Council, using policy-specific legitimacy.

Secondly, interviewees have indicated that Member State coherence is an important factor. On the one hand, Denmark presented a coherent approach to energy efficiency legislation supported by NGOs, businesses and a very large majority in the Danish Parliament. The latter notion is underlined by the very broad compromises that characterize Danish energy legislation. Conversely Germany was a case of Member State incoherence. In this case, interviewees have indicated that the German government was divided between the Ministry of Environment, Nature Conservation, Building and Nuclear Safety and the Ministry for Economic Affairs and Energy. According to the interviewees, this was a factor because that division made Berlin less able (or willing) to oppose the directive staunchly in the Council. One interviewee indicated that if Germany had acted as a unitary actor, which sought to assemble a blocking minority in the Council, it would have done so successfully.

Thirdly, political representatives from the Danish Presidency, in this case Minister for Climate and Energy Martin Lidegaard was able to build a coalition with the Danish Climate Action Commissioner Connie Hedegaard, as well as the EP rapporteur of the Energy Efficiency Directive, Claude Turmes. In the post-Lisbon era, in which the EP in particular has gained importance, this sort of coalition building was crucial – and more important than previously. By presenting the Danish Presidency as a window of opportunity for both the Commission and the EP in terms of making legislation on

energy efficiency, Denmark was able to garner support and thereby put further pressure on reluctant Member States in the Council. By adding these coalitions to the formal role as a broker, Denmark was able to move the Council towards a greener directive by emphasizing the need for compromise with the Commission and the EP. Thereby Denmark was able to pursue its interests (an ambitious directive), while playing the part of a broker.

In addition to the coalition with key representatives from the other two institutions, the Danish Presidency was able to cooperate with Poland. This is significant, because the Council traditionally has been the least green institution in Brussels – and Poland among the least green Member States in the Council. By including Poland in a coalition on energy efficiency, the Danish Presidency was able to secure sufficient support for a directive that was opposed by significant Member States, including Germany.

Fourthly, non-state actors were important to the Danish ability to further its interests in the Energy Efficiency Directive. The Danish Presidency actively used Danish businesses, both energy and otherwise, to make a more convincing argument. One very concrete example was the informal lunch in Horsens, where Danish companies made presentations that highlighted the positive effects of Danish energy efficiency legislation on their business. By doing so, the argument for the directive was not merely environmental, but also economic in nature. In terms of NGO impact, interviewees have indicated that NGOs were important in putting pressure on decision-makers across Europe. In particular, NGOs in Germany were important in giving attention to the environmental concerns, which was part of the reason why some government actors in Germany were supportive of the directive, even as the official position was opposition.

### *1.3.3. Brief overview of Presidency Toolbox*

The final part of the thesis is prescriptive in the sense that it presents a Presidency Toolbox for small Member State Presidencies. This device can be used by a small Member State in the planning phase preceding the Presidency. By considering the factors determined throughout the two analyses, a small Member State can save

resources and political capital when conducting its Presidency and thereby achieve the best possible result.

#### **1.4. Thesis Structure**

In the next sections, the Research Design and the Theoretical Framework of this thesis are presented in order to set the scene for the two analyses. The first analysis consists of an application of Elgström's framework and the second analysis presents four new concepts that can be used to build on Elgström. After the analyses, these concepts are put into perspective, before the 'Presidency Toolbox' is presented.

#### **1.5. Research Design**

The aim of the first analysis is to test whether Elgström's framework can explain the Danish use of the EU Presidency to influence the Energy Efficiency Directive. The application of Elgström's framework provides useful findings, but it is also concluded that additional concepts are needed. The second part of the analysis therefore builds on Elgström by providing new analytical concepts. By combining two of Elgström's concepts and the four additional concepts, a new framework is presented for explaining the Danish Presidency.

After the analysis, the thesis provides a 'Presidency Toolbox' designed especially for small Member States that are about to plan their next Presidency. This aim of this toolbox is to assist a future small Member State Presidency in prioritizing the right policy ideas. If successfully applied, the 'Presidency Toolbox' can help small Member State Presidencies avoid wasting resources and political capital and thus increase their chance of a successful Presidency. By being prescriptive in this manner, the aim is to build a bridge between academia and diplomacy in praxis.

The two analyses represent a combination of verifying and generating theory. In that way the nature of this thesis is in line with the framework of Grounded Theory. This approach allows researchers to make use of an existing theoretical framework (in this

case Elgström's), while not being limited by the concepts of that framework, when gathering data (Bryman 2008, 542). This notion is important, because researchers can keep an open mind towards new factors and explanations, e.g. when conducting interviews.

This approach is arguably in line with what Bates calls "analytical narrative". This approach entails "*an iterative process in which one main theory is examined and actively refined when the analyst encounters data that contradicts it*" (Hall 2008, 314). Thus the aim is to refine the current framework by providing concepts from different kinds of theories.

In regard to the collection of data it is important to note that when conducting interviews, the questions about the Danish Presidency have not been shaped to fit the concepts of Elgström's framework – or any other theory for that matter. Instead, the semi-structured interviews that have been conducted allowed alternative explanations to surface. Thereby it has been possible to not merely verify or falsify Elgström's framework, but also to allow the data to indicate alternative factors. This in turn allows this thesis to provide additional analytical elements to Elgström's framework and thereby use the findings to infer analytical implications. After the analysis, on page 64, methodological considerations regarding the interviews are presented.

## **1.6. Choice of Case**

Out of all the policies that were negotiated throughout the Danish Presidency, the decision to focus on the Energy Efficiency Directive can seem slightly unexpected. Few students or even researchers of EU Governance, including the EU Presidency, would probably have paid much academic or political attention to the area of energy efficiency legislation. Therefore it is appropriate to outline the reasons behind this choice.

Firstly this case stands out because Denmark, as a small Member State holding the Presidency, had such a significant influence the Energy Efficiency Directive. In turn, this

is interesting because Denmark traditionally has been an outsider on green energy issues, being one of the greenest Member States in the Council for decades. Thus, when Denmark had significant influence on a green directive it represents a 'least likely case'. As Tallberg puts it in his analysis of five presidencies around the Millennium, "[...] *it is relatively more difficult for Presidencies with extreme preferences to achieve their most preferred outcome, which grants the cases I have selected least-likely qualities*" (Tallberg 2006, 9).

Analytically it is interesting to investigate a least likely case, because it makes it more probable that other small Member State Presidencies could learn some lessons. By identifying the tools that the Danish Presidency used, one could reasonably assume that other small Member State Presidencies could use these tools as well. This seems especially possible, if another small Member State Presidency focused on issues on which its preferences were closer to the average in the Council. This would allow the Presidency to exert influence, while also conducting its role as honest broker dutifully.

One factor that amplifies the notion that Denmark is a least likely case, is the notion of opt-outs. Denmark's EU history is guided by referenda and opt-outs, which other things equal has limited the Danish influence. On the other hand, Denmark is one of the oldest small Member States in the EU and therefore it has gathered considerable Presidency experience, compared to other small Member States. As will be made clear in this thesis, Denmark counted on its experience with previous (successful) Presidencies, when it planned and executed the 2012 Presidency.

## **2. The Danish Presidency 2012**

This thesis concerns the 7<sup>th</sup> Danish Presidency, which took place from 1 January 2012 until 31 June 2012. Notably, the Danish general election on 15 September 2011 led to a change in government shortly before the Danish Presidency started. After almost 10 years of conservative government<sup>1</sup>, supported by the far-right Danish Peoples' Party, the center-left coalition with Helle Thorning-Schmidt as Prime Minister took over. The implications of the fact that the Presidency platform was developed by the conservative government, but executed by the center-left government, are analyzed on 39-40.

Already six months before the Danish Presidency started, the Commission presented its proposal for a directive - on 23 June 2011 (European Commission 2011). On the backdrop of this proposal, the Danish government made energy efficiency policy an explicit priority for its Presidency (Danish Presidency 2017). Throughout the Presidency, Denmark made an effort to keep The Energy Efficiency Directive on the agenda. One example is the seven rounds of dialogues and the Danish decision to move the negotiations from the work group level to the Coreper level at a relatively early stage (Radio24syv 2012). This was significant, because the technical negotiations were not yet finalized. On page 25, the analysis will examine how and why the Danish Presidency made that decision – and the impact of this decision.

The Energy Efficiency Directive is interesting for four main reasons. First of all, the directive is relatively Danish in the sense that its most important element, Article 7, by experts in the industry have been characterized as “*almost a copy-paste of Danish energy efficiency legislation*” (Martin Lidegaard, Minister for Climate and Energy, Interview and Søren Dyck Madsen, The Danish Ecological Council, Interview) and “*definitely inspired by the Danish legislation*” (Peter Bach, The Danish Energy Agency, Interview). Article 7 determines that Member States “*shall set up an energy efficiency obligation scheme. That scheme shall ensure that energy distributors [...] achieve a cumulative end-use energy*

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<sup>1</sup> Lowercase 'conservative' government refers to the Danish center-right government from 2001-2011, which consisted of two parties, only one of which had the name uppercase 'Conservative'.

*savings target by 31 December 2020*" (Directive 2012/27/EU 2012). This scheme was suggested in order to help Member States reach a target for annual improvements on energy efficiency, "*new savings each year from 1 January 2014 to 31 December 2020 of 1,5 % of the annual energy sales to final customers of all energy distributors [...]*" (Directive 2012/27/EU 2012).

By setting up an Energy Obligation Scheme, the energy distributors are actively engaged in the energy efficiency policy. While some other Member States had policies in place that had similar features, this policy was relatively new to most Member States and therefore all the more significant.

Because the Energy Efficiency Obligation Scheme was a new kind of energy efficiency policy to most actors, Member States were given a certain level of flexibility (Lidegaard, Interview). In accordance with Article 7, Paragraph 2, Member States are allowed to "*decide how the calculated quantity of new savings [...] is to be phased over the period*" (Directive 2012/27/EU 2012). The Danish Presidency suggested this as a compromise that allowed the final directive to maintain a high level of ambitions, while letting Member States choose each their exemptions (Lidegaard, Interview, Bach Interview). In general, the final directive was less ambitious than the Commission's proposal, which reflects the skepticism in the Council.

The second reason why this directive is significant is the impact that it has had. While energy efficiency ambitions had been discussed throughout previous Council meetings, no legislation consisting of both official targets and measures had yet been put in place. However in the years since the directive was passed, the EU Member States have been able to improve their energy efficiency dramatically. First of all, Denmark's own performance has been optimal, which reflects the fact that the legislation was modeled after the existent Danish legislation. As one assessment concludes "*the energy efficiency obligation scheme has been running for many years in Denmark*" (Eco Council 2016, 8).

While the Member States have implemented the Energy Efficiency Directive in very different ways, the Member States have made progress in regard to energy efficiency in general (Business Europe 2016, 3). However the biggest achievement of the directive was to set a direction, rather than a pace. The recent proposal by the Commission reflects this notion: a binding target for energy efficiency of 30% in 2030. The increase from the 2012 directive to the Commission's recent package illustrates that the directive indeed did set a direction for the EU on the matter of energy efficiency legislation (European Commission 2016).

The third reason why the directive is interesting is the narrow (and untraditional) coalition that supported it in the Council. The Danish Presidency had Minister for Climate and Energy Martin Lidegaard in charge of the negotiations. The fact that the vote was narrow is confirmed by Lidegaard's quote: "*We had the most narrow majority possible, when we put forward the proposal [...]*" (Radio24syv 2012). In addition to being narrow, the coalition that worked together with the Danish Presidency included unlikely allies: "*Poland helped us put pressure on Western Member States [...]*", as Martin Lidegaard noted.

Fourthly, the history of energy policy making in the EU: Energy policy has traditionally been a national prerogative, meaning that integration has been slow and recent (Ydersbond 2012, 5). This notion further amplifies the significance of this directive and thus this case.

In conclusion, the Energy Efficiency is interesting as a case for four main reasons. Firstly there were clear Danish footprints on the directive, indicating a significant influence. Secondly, the directive has had a significant positive effect on the energy efficiency agenda. Thirdly, the directive was made with a very narrow majority in the Council. And fourthly, the directive covers an area that historically has been a sensitive policy area.

In the following sections, the first analysis will firstly examine the case by using the framework of Elgström. Secondly it will seek to build on the framework in the second analysis.



### **3. Theoretical Framework**

The theoretical starting point of this thesis is based on the work of Elgström, who has produced interesting and useful research on the EU Presidency, including Nordic Member States' Presidencies. Scholars such as Tallberg have also provided very interesting research on the role of the Presidency (Tallberg 2004; Tallberg 2008). As previously argued, Elgström's concept *Structurally Based Expectations* is relatively similar to Tallberg's *Brokerage Constrains and Informal Norms*. Likewise, Elgström's *Institutional Design* is similar to Tallberg's *Informational and Procedural Power Resources* and his *Agency-Based Expectations* resemble Tallberg's *Individual Sources of Power* (Tallberg 2008, 687). Seeing as these concepts are relatively similar, Elgström's concepts will, for the sake of clarity, be used throughout the analysis, as representing their mutual approach,

Elgström's framework is based on Role Theory (Elgström 2006, 171) and Institutionalism (Bjurulf and Elgström 2005, 46) and highlights the importance of three overall concepts that determine the role of the Member State that holds the Presidency:

1. Structurally Based Expectations
2. Agency Based Expectations
3. Institutional Design

These three institutions match the five institutions that Elgström present in his 2005 book *European Union Negotiations. Processes, Networks and Institutions* (Bjurulf and Elgström 2005, 58). Therefore the three institutions outlined above will work as *the* approach of Elgström's framework in this thesis. Overall the three concepts together determine how a Member State will conduct its Presidency and strike a balance between fulfilling its formal and informal duties, while seeking to further its interests.

The first concept is the 'Structurally Based Expectations' of the Presidency. This concept comprises of both a formal and an informal norm. The former consists of managing the agenda and brokering agreements (Elgström 2006, 181). This notion may seem banal, but according to Elgström, one should not underestimate the job of facilitating thousands of meetings on various levels throughout a six-month period and the weight of responsibility that comes with the Presidency (Elgström 2006, 172). The informal norm has to do with acting neutrally and prioritizing consensus over forging winning coalitions. Accordingly a strong consensus culture has emerged, meaning that more than 80 percent of decisions are reached by consensus. In addition, it is expected that a small Member State Presidency will be impartial and not jeopardize agreement by furthering its own interests – a notion which is extraordinarily interesting, when looking at the Danish Presidency of 2012 cf. page 21 of the analysis (Elgström 2006, 179).

The second concept is the *Agency Based Expectations*. This notion covers the expectations that the Government of the Member State holding the Presidency experiences. These can be based on the Member State's self-image and domestic pressure stemming from the tradition and culture of the Member State (Elgström, 2006: 184). This notion may be challenging to a Presidency, because of the "[...] *potential conflict between the demands of Presidency norms and the expectations that arise from its role as defender and promoter of national interests*" (Elgström 2006, 184).

The third concept is the "Institutional Design". This concept covers features such as the number of Member States, the voting rules of the issue in question, as well as the degree to which the Presidency has asymmetrical access to information and negotiations with individual Member States (Elgström 2006, 174). While Elgström does include the element of "asymmetrical access to information and negotiations", he does not sufficiently specify how the Presidency can make use of this feature. This concern will be addressed in the second analysis, which builds on Elgström's framework in order to complement it and present a more comprehensive alternative.

In conclusion, Elgström's framework is particularly interesting, because it presents three distinct concepts that explain how a Member State acts, when it holds the Presidency. Thereby it can provide a useful framework for understanding the 2012 Danish Presidency. In the 2004 article "*Silencer or Amplifier? The European Union Presidency and the Nordic Countries*", Bengtsson, Elgström and Tallberg analyzed three Nordic Member States' Presidencies (Bengtsson, Elgström, and Tallberg 2004). That contribution analyzed the extent to which they are successful in furthering their own respective interests vis-à-vis acting as honest brokers, seeking to just facilitate compromises. Accordingly this thesis applies Elgström's concepts (Elgström 2006) to the Danish Presidency and concludes that additional concepts are needed. Therefore the second part of the analysis presents a complementing set of concepts for understanding and explaining a small Member State Presidency. From this addition, the thesis will lastly present a toolbox, which small Member State Presidencies can use to determine what policies to focus on.

## **4. Analysis I: Applying Elgström to the Danish Presidency**

### **4.1. Analysis Structure**

This thesis consists of two overall analyses. The first analysis seeks to apply Elgström's framework to the case of the Danish Presidency 2012, in order to explain the significant Danish influence. In the second analysis, additional concepts are added in order to provide a more comprehensive framework. After the second analysis, the findings are put into perspective and lastly used to produce a 'Presidency Toolbox' for small Member States.

#### *4.1.1. Applying Elgström's framework*

In the first part of the analysis, the framework of Elgström is applied to the case of the Danish Presidency 2012. In order to do so, three key concepts are extrapolated from Elgström's work on EU negotiations and in particular the role of the EU Presidency: *Structurally Based Expectations*, *Agency Based Expectations* and *Institutional Design*. In order to apply Elgström's concepts to the case, this part of the analysis deduces hypotheses from these concepts and goes on to test them on the Danish Presidency.

#### **4.2.1. Structurally Based Expectations**

Hypothesis I: The Danish Presidency acted as an effective agenda manager and broker of compromise, in line with Elgström's Structurally Based Expectations.

Hypothesis II: Denmark prioritized consensus building and compromise over winning coalitions and has thereby sustained the informal consensus norm in the Council.

The first of Elgström's three concepts is the *Structurally Based Expectations*. Elgström divides this concept into two distinct features: the formal and the informal. The two features are reflected in each their hypothesis. The primary features of the formal part

of *Structurally Based Expectations* include the role as agenda management, administrator and broker of agreements.

#### *4.2.1.1. Formal Norms*

Speaking to interviewees from the Danish Presidency, this element of the Presidency took up a significant portion of the resources. The interviewees confirmed the notion often highlighted in the literature – that holding the Presidency entails managing hundreds of meetings, including chairing work group meetings, holding informal talks and constantly be aware of the positions of all the other Member States.

As a Member State with previous experience of holding the Presidency, Denmark started planning the logistics of the Presidency already two years before it started (High-ranking civil servant in the Danish Ministry of Foreign Affairs). This included allocating resources, hiring and educating staff, as well as making a plan for the many meetings – from the workgroup and Coreper meetings in Brussels to the Minister-level meetings in the Council.

In terms of the content of the meetings, the Danish Presidency started preparing for the meetings a year in advance. At that point, it was clearer what policies were in the pipeline, including what policies the Polish Presidency wished to pursue. By taking meetings with the Commission, which sometimes included Polish representatives, the Danish government made sure to gather sufficient knowledge about the negotiations – and thereby prepare agenda and meetings for its Presidency (High-ranking civil servant, MFA, Interview).

Speaking to sources in and around the Presidency, there is an overall consensus that the formal norms of effective agenda-management and brokering of agreements was properly conducted. Hypothesis I can therefore be answered in the affirmative. No foreign sources have contradicted this statement.

#### *4.2.1.2. Informal Norms*

The primary features of the informal norms include neutrality and prioritizing consensus building over forging winning coalitions that ignore the preferences of a minority. In addition, the Presidency is expected to downplay its own preferences in the interest of the common good of Europe, meaning policies that enjoy broad support among Member States.

Analyzing the case of the Energy Efficiency Directive, the Danish Presidency only followed these informal norms to some extent. While the Danish Presidency indeed did attempt to find consensus both among the Member States and among the institutions, it eventually opted for an ambitious directive that was not supported by all Member States. According to Martin Lidegaard, then Danish Minister for Energy and Climate and thus the chair of the Council negotiations on this directive, Denmark did the exact opposite of the neutrality norm. Instead of valuing consensus, it pursued its own interests and built a coalition against the will of other Member States. Most notably, Denmark went against the will of traditional like-minded Member States such as Germany and Finland, which even attempted to build a blocking minority against the directive (Lidegaard, Interview). In the end, Finland abstained from voting in order to show its dismay. Germany was internally divided, which made its position more ambiguous, though it kept a skeptical line throughout the negotiations (Bach, Interview). The fact that traditional allies explicitly opposed the directive, in addition to the no-vote from a large Member State like Spain, confirms the significance of the Danish Presidency's actions.

This process confirms the notion that the Danish Presidency indeed chose to further its own interests, rather than finding a compromise in "the common good of Europe", which all Member States could support. By choosing a narrow coalition over consensus, the Danish Presidency breached the "consensus building" norm and thus Hypothesis II is falsified. This conclusion is significant because it contrasts findings of Elgström and others, in their analysis of Nordic Presidencies in the late 90's and early Millennium. In these instances, the Presidency either "paid the price of the Presidency", meaning

ignoring its own interests, or sought to pursue its interests in a more modest way. In the few instances where a Presidency attempted to further its interests too obviously (The Netherlands in 1991), the attempt failed and the Presidency had to officially present policies, which it had previously opposed (Elgström 2006, 187).

#### **4.2.2. Agency Based Expectations**

The first part of the analysis concluded that while Denmark did provide functional and effective agenda-management, it did not follow the informal norms of neutrality in the case of the Energy Efficiency Directive. The second component of Elgström's framework is the *Agency Based Expectations*. This concept covers two related but distinct features that are interesting to consider, in explaining how the Danish Presidency exerted influence on the Energy Efficiency Directive.

Hypothesis I: Domestic Pressures led Denmark to pursue an ambitious energy efficiency policy.

Hypothesis II: National self-image and tradition led Denmark to pursue an ambitious energy efficiency policy.

##### *4.2.2.1. Domestic Pressure*

The first feature is the 'Domestic Pressure', which can pressure a Member State Presidency into using the Presidency to pursue a certain policy. Often domestic stakeholders see the Presidency as a 'window of opportunity' for their agenda and will seek to influence the Presidency accordingly. The point here is that the domestic pressure counterweighs the structural expectation of neutrality, outlined previously. That way a Presidency can be stuck in between two competing expectations that can be difficult to bridge (Elgström 2006, 184).

It is difficult to determine whether the domestic pressure caused the political ambition, or whether the political ambitions would have existed regardless. In favor of the former

notion, politicians and lobbyists gave the overall impression that the businesses community indeed did put pressure on the government.

Large Danish companies in the green energy industry, as well as green NGOs, saw the Danish Presidency as a window of opportunity and therefore supported the push for an ambitious directive. In particular companies such as Danfoss, Grundfos, Velux and Rockwool all held significant interests in delivering products in other European Member States (Danish PA-consultant, Confederation of Danish Industry, Interview).

This notion was confirmed when the CEOs of the large green energy companies collectively sent a letter to the Danish government, advising it to enforce its diplomatic presence in Brussels in regard to green energy policy. Such a significant, explicit and public signal reflects the notion that Denmark has substantial green energy interests in the EU and relies on ambitious and binding targets, in order to attract contracts. This impression is confirmed by the notion that the Confederation of Danish Industry stands out as the greenest part of Business Europe (Danish PA-consultant, Interview).

Having established that Danish businesses held significant commercial interests in a greener EU, the question is whether this notion had any effect on the political leadership. Interviewing then Minister of Climate and Energy Martin Lidegaard, he gave the impression that the political arena at least was aware of the business opportunities of this directive, characterizing Danish commercial interests as, *“low-hanging energy fruits in eastern and southern Europe”* (Lidegaard, Interview).

During the Presidency, the Danish government consisted of three relatively green parties. This speaks to the point that the Government would have used the Presidency to pursue a green agenda regardless of business interests. Secondly, the Government had officially committed itself to making the EU “more green” – and even made that part of the Government Platform (Adler-Nissen 2011, 14). Thirdly, the notion that the political leaders were aware of the business interests was not only a source of pressure. On the contrary, the Danish government made active use of both businesses and NGOs to persuade reluctant Member States. This feature – the importance of non-state actors – is



indeed one of the four contributions that his thesis makes to Elgström's framework. This notion will be elaborated in the final part of the second analysis.

An interesting and important distinction to make, when it comes to *Domestic Pressure*, regards the two Danish governments that played a part in regard to the Danish Presidency. The conservative government was in power, when the Presidency platform was developed. The center-left government was in power, when the Presidency was executed. This notion is interesting for several reasons. First of all, it is fair to assume that the center-left government, for whom the green issue was crucial for the government platform, would have pursued a green agenda regardless of business pressure. However, as we shall see in the '*Member State Coherence*' part of the second analysis, the business interests were probably important in reminding the conservative government of the (commercial) advantages of a green agenda.

#### 4.2.2.2. *National Self-Image*

In terms of the second part of the *Agency Based Expectations*, Elgström points to the importance of traditions and culture in shaping the Presidency's preferences. Speaking to civil servants, the self-image played only a very marginal role. Rather than reflecting a need to fulfill a particular image, the Danish Presidency took a point of departure in its interests and from there, it considered its policy expertise, domestic Coherence, the opportunity for coalition building, as well as the cooperation with non-state actors. Therefore the second analysis will focus on these findings and try to complement the agency part of Elgström's framework in that manner.

In conclusion, the *Agency Based Expectations* does provide some useful insights, regarding domestic pressure. This may have been important to the conservative government, which was in place in the years leading up to the Presidency, when the platform was developed. However it is unclear that it had any impact on the center-right government that was in place during the Presidency. In addition, the data collected for this thesis does not support the notion that national self-image played an important role. The *Agency Based Expectations* part of Elgström's framework is the part that has the

biggest potential for improvement, when applying it to the Danish Presidency. As the second analysis will show, the agency factor is very important, but not in the manner outlined by Elgström.

#### **4.2.3. Institutional Design**

Hypothesis I: The Danish Presidency had asymmetrical access to information and asymmetrical control of negotiations, which it actively used during the Presidency.

Hypothesis II: The Danish Presidency's usage of asymmetrical access to information and asymmetrical control of negotiations led to its significant influence on the Energy Efficiency Directive.

In regard to the first hypothesis, the Danish Presidency definitely made active use of its asymmetrical access to information and ditto control of negotiations. Speaking to Martin Lidegaard, it was clear that Denmark on several occasions uses these advantages. Concretely, the Danish Presidency moved the negotiations from the work group level to the Coreper level at very early stage. By doing so, the Danish Presidency opened up for compromises and issue-linkage, because the Coreper I ambassadors are used to negotiate on a wide array of issues. In contrast to the relatively narrow mandates of the work group level civil servants, the Coreper I ambassadors have more leeway to find compromises. It was with this notion in mind, the Danish Presidency made a conscious decision to move negotiations (Lidegaard, Interview).

In terms of making use of its access to information, the Danish Presidency knew that the German government was torn on the issue. Therefore it disregarded the German skepticism, making the calculation that the German government would not block a directive, which it did not even know, if it was for or against. For this reason, the Danish Presidency betted on a relatively narrow coalition, which it could only do, because it knew more than other actors about the respective positions of the Member States. In terms of using its control of negotiations, the Danish Presidency made sure to represent the EP's point of view and allowed seven dialogues to take place (Radio24syv 2012).

Thereby it included an actor, which had a similar position on energy efficiency policy (High-ranking civil servant, MFA, Interview).

In conclusion, the Danish Presidency made ample use of its asymmetrical access to information and its asymmetrical control of negotiations. The extraordinarily early move from work group level to Coreper level, as well as decision to take advantage of Germany, indicate that this feature indeed was important. Thus it is confirmed that Denmark used its advantage and that this advantage was important in terms of influencing the directive.

### **4.3. Conclusion of Analysis I**

By applying the framework of Elgström to the case of the Danish Presidency of 2012, it can be concluded that the framework provides useful concepts. In particular, the *Institutional Design* is a concept that helps understand the Danish ability to shape the negotiations. In addition, the formal duties related to the *Structurally Based Expectations* meant that Denmark made a significant effort to conduct an effective Presidency. However it was also found that Denmark did not follow the norms of impartiality regarding the Energy Efficiency Directive. This notion was important and necessitates new concepts. In addition, the *Agency Based Expectations* can only explain parts of Danish Presidency's behavior, when it comes to the decision to focus on energy efficiency. Accordingly, the second part of the analysis will complement Elgström's framework by providing additional concepts in regard to these features.

#### 4.4. Overview: Analysis I Hypotheses

##### Structurally Based Expectations

<b>Hypothesis</b>	<b>Verified</b>	<b>Falsified</b>
<b>HI</b>	<b>X</b>	
<b>HII</b>		<b>X</b>

HI: The Danish Presidency acted as an effective agenda manager and broker of compromise, in line with Elgström's Structurally Based Expectations.

HII: Denmark prioritized consensus building and compromise over winning coalitions and has thereby sustained the informal consensus norm in the Council.

##### Agency Based Expectations

<b>Hypothesis</b>	<b>Verified</b>	<b>Falsified</b>
<b>HI</b>	<b>X</b>	
<b>HII</b>		<b>X</b>

HI: Domestic Pressures led Denmark to pursue an ambitious energy efficiency policy.

HII: National self-image and tradition led Denmark to pursue an ambitious energy efficiency policy.

##### Institutional Design

<b>Hypothesis</b>	<b>Verified</b>	<b>Falsified</b>
<b>HI</b>	<b>X</b>	
<b>HII</b>	<b>X</b>	

HI: The Danish Presidency had asymmetrical access to information and asymmetrical control of negotiations, which it actively used during the Presidency.

HII: The Danish Presidency's usage of asymmetrical access to information and asymmetrical control of negotiations led to its significant influence on the Energy Efficiency Directive.

#### 4.5. Analytical Reflections on the Application of Elgström's Concepts

In this section, the aim is to address why and how Elgström's framework is insufficient in regard to the Danish Presidency. This will function as a bridge to the second analysis, which seeks to build on Elgström in order to provide additional analytical concepts.

Thus far it has been concluded that Elgström's framework is useful, because it provides valuable concepts. However by applying Elgström's concepts to the case of the Danish Presidency in 2012, one also finds that additional analytical concepts are needed. In particular, Elgström's framework does not sufficiently address four concepts related to agency, just as the Danish ability to ignore informal norms such as *neutrality* and *consensus building* cannot be explained by Elgström's framework.

The four concepts that need to be added relate to: *Policy Expertise*, *Member State Coherence*, *Coalition Building* and *Non-State Actors*. The first concept covers the Member State Presidency's own technical knowledge and policy record on the issue in question, which does not receive enough attention in Elgström's framework. Secondly, the Presidency's domestic coherence in relation to the issue at hand is neither sufficiently covered. Thirdly, the Presidency's ability to make coalitions with other institutions and Member States, as well as its ability to cooperate with non-state actors are not sufficiently reflected in Elgström's framework. Therefore these four factors will be added in the second analysis. The four features will be linked to existing theories in order to add to the literature on small Member State Presidencies.

##### 4.5.1. Why the Danish Presidency does not fit Elgström's framework

Before commencing on the second analysis of this thesis, it is worthwhile emphasizing that this thesis does not have as its ambition to criticize Elgström's framework. On the contrary, the aim is to *build* on the good work of Elgström, in order to explain the Danish Presidency and provide small Member States with a Presidency Toolbox.

Therefore this section outlines three overall reasons why Elgström's framework *legitimately* did not include factors that are deemed important in the case of the Danish Presidency of 2012. The first pertains to the fact the Elgström's framework is not designed exclusively for small Member State Presidencies and therefore overlooks factors that are particularly important to small Member States.

Secondly, important institutional changes have occurred after Elgström's framework was made – and therefore the structure in which the agents' interact has changed. When adding to Elgström's framework this institutional change is therefore included. Thirdly, a framework cannot be expected to apply equally well to all policy areas. In the case of the Danish Presidency, several relatively extraordinary features concerning the policy in question made Elgström's framework less applicable.

#### *4.5.2. Elgström's framework was not designed exclusively for Small Member State Presidencies*

The first overall reason why Elgström's framework does not include factors that were important to the Danish Presidency, is the fact that Elgström's framework was not designed for small Member State Presidencies in particular. This is important because small Member State Presidencies *do* have particular features that an analytical framework should consider.

First of all, a Presidency such as the Danish is disproportionately dependent *Coalition Building*, because Denmark is such a small Member State. If Elgström's framework is meant for Member States overall, it makes sense that it does not pay sufficient attention to coalition building, since this factor is relatively less important to large Member States. Secondly, Elgström's framework does not include the notion of *Policy Expertise*. In the case of small Member States, their interests seldom suffice as important to the EU at large. As Tallberg quotes Juncker for stating, "*you can never say "Denmark thinks...[...]"*" (Tallberg 2008, 690), indicating that the interest of a small Member State does not in of itself constitute a convincing argument. Thirdly, *Member State Coherence* is crucial because a small Member State needs to speak with one voice in negotiations, since the

volume of its voice is relatively low. Any ambiguity is therefore very harmful to small Member States in particular. Fourthly, cooperation with non-state actors can be important in negotiations, because it adds weight to the argument of the small Member State Presidency. In line with coalition building with institutional actors, small Member States need these informal networks, if they are to influence negotiations and further interests.

#### *4.5.3. Institutional Change affects agency*

A second overall explanation for the need for supplementary concepts is institutional change. With the Lisbon Treaty, the EP in particular gained more prominence and was therefore increasingly an actor, which Presidencies (and therefore scholars) need to consider. The Danish Presidency paid particular attention to the EP throughout the negotiations of the Energy Efficiency Directive. The reasons for this is outlined in the second analysis, but it is important to acknowledge that Elgström's framework needs to be updated, because of this significant institutional change. Notably, this addition reflects a wish to update and complement Elgström, rather than a wish to just criticize his framework. For scholars of EU Governance in general, the finding that an institutional change influences the behavior of agents in this concrete manner, constitutes an interesting finding, which will be elaborated in the second analysis on *Coalition Building*.

Linking this second explanation to the first, the rising power of the EP is especially important to small Member State Presidencies, because the EP can work as a valuable coalition partner. In particular, if a small Member State Presidency identifies an overlapping interest with the EP, the latter's rising power may represent an opportunity to amplify its influence and thereby make it possible to further national interests in the negotiations.

#### *4.5.4. Issue-specific circumstances*

The third reason why Elgström's framework is insufficient for explaining the Danish Presidency has to do with the policy issue in question. By focusing on the Energy Efficiency Directive, this thesis narrows the Danish Presidency to the very policy on which Denmark had the most expertise and was the most cohesive. Thus it may be that Elgström's framework applies well to other features of the Danish Presidency – or indeed other small Member State Presidencies. However in a case such as the Energy Efficiency Directive, which Denmark has a long history of expertise and coherence on, these two factors stand out as significant shortcomings. However the point here is exactly that this case may be unique in terms of the Presidency's expertise and coherence, and therefore it should not be seen as a critique of the framework at large.

The thesis has thus far presented Elgström's framework, presented the case and then applied the former to the latter, concluding that it is useful, but also that additional concept are needed.

In the second analysis, the aim is to build on Elgström's framework and thereby provide new analytical concepts for explaining the Danish Presidency. After the second analysis follows a section, where the findings of the two analyses are put into perspective. Lastly a 'Presidency Toolbox' is presented.



## **5. Analysis II: Building a New Framework**

The previous section established that Elgström's framework provides useful tools, but needs additional elements in order to fully explain the Danish use of the EU Presidency to influence the Energy Efficiency Directive. Therefore this part of the analysis goes on to build on Elgström's work by providing four analytical concepts for explaining the Danish Presidency's influence on the directive. The respective theories are noted in brackets next to the relevant concept in the outline below. By assembling four concepts from four different theories, this thesis' academic contribution consists of an application of concepts from one part of the literature to the field of EU Presidencies.

Lastly, this thesis is prescriptive in the sense that it provides a 'Presidency Toolbox' designed especially for small Member States, when they are making their Presidency platform. This toolbox will increase the likelihood that a small Member State Presidency focuses on the right policies. Thereby the aim is to help small Member State Presidencies avoid wasting resources and political capital. By being prescriptive in this manner, the aim is to build a bridge between academia and diplomacy in praxis.

### *The four new concepts*

- 1) Policy Expertise (Small State Diplomacy).
- 2) Member State Coherence (Two-level Games and Bureaucratic Politics).
- 3) Coalition Building (Mediation/Negotiation Theory).
- 4) Non-State Actors (Multilevel Governance).

Before going into the four concepts and how they relate to the Danish Presidency in 2012, it is appropriate to emphasize that these concepts do not guarantee success. A Presidency can use these concepts as tools to further its own interests, because they can help the Presidency sharpen its focus on exactly those policies that can make it through the negotiation process and eventually become legislation. However, if a Presidency does not have the diplomatic expertise to apply these tools, e.g. by analyzing another Member State's positions properly (Tallberg 2008, 696), the concepts do not matter; just as tools are useless if the craftsman does not know how to utilize them, the same goes for the Presidency tools outlined in this section; their effectiveness depends on the application. For an elaboration of this point, see the section 'Reflections on findings', page 56.

### **5.1. Policy Expertise: Denmark – The Green Front-Runner**

Hypothesis I: If a small Member State uses the Presidency to further its own interest, we should expect it to choose an area of particular policy expertise.

Hypothesis II: By prioritizing according to expertise, a small Member State Presidency is granted credibility, which can compensate for its limited power in negotiations.

#### *5.1.1. Prioritizing according to expertise*

The two hypotheses are in line with *Small State Diplomacy* theory, as proposed by Panke (Panke 2011, 124). The premise for this approach is the fact that Small Member State Presidencies cannot choose freely from all possible policy ideas, when it comes to using the Presidency to influence policies and to further its interests. As a high-ranking civil servant in the Danish Ministry of Foreign Affairs noted, "95 % of the agenda has already been decided. The 5 % that we can affect comes down to maybe three policies – therefore we need to carefully consider what to focus on [...]" (High-ranking civil servant, MFA, Interview).

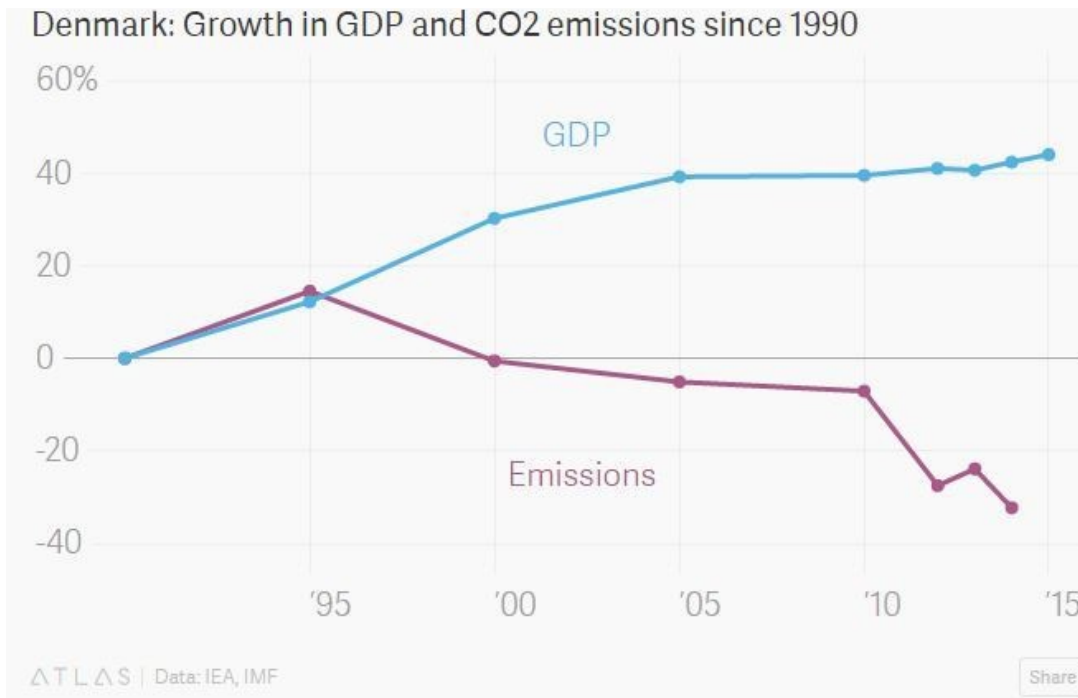
When deciding the focus of the Presidency, a small Member State thus needs to take various factors into consideration. According to scholars such as Panke and Tallberg, small states need to focus on areas in which they have a particular policy expertise, in order to set the agenda and influence policies internationally (Panke 2012a, 320; Tallberg 2008, 692; Panke 2011, 124)

In the following section, it will firstly be analyzed whether Denmark in fact did have a particular *Policy Expertise* on energy efficiency. Then it is discussed, whether Denmark gave priority to this issue, and lastly whether prioritizing according to its policy expertise had any effect on the negotiations.

#### *5.1.2. Denmark's green expertise – a model for EU legislation*

Denmark's expertise on the issue of green energy has made it a front-runner in the EU for decades (Ingebritsen 2006, 14; Panke 2012a, 320) (European Environmental Agency, Interview). In the case of the Energy Efficiency Directive, Denmark benefitted from being a model for others to follow, because it was among the first to decouple economic growth from green house gas emissions. Interviewees such as Peter Bach from the Danish Energy Agency noted that the key to the Danish influence was its credibility, which was based on decades of ambitious policy, and not merely well argued policy ideas presented in the months leading up to the Presidency. In other words, the substantive policy expertise made a difference for the Danish argument (Bach, Interview).

As this graph from International Energy Agency (IEA) and the International Monetary Fund (IMF) illustrates, Denmark's record on energy efficiency was significant, because it managed to decouple economic growth from green house gas emissions already in 1995 (Quartz 2016). According to experts, this was largely a product of its investments in both energy efficiency and renewable energy (Dyck-Madsen, Interview).



**Figure 1: Denmark: Growth in GDP and CO2 emissions since 1990 (Quartz 2016).**

One should not underestimate the importance of decoupling. As Dyck-Madsen noted, *“anyone can cut CO2 emissions while getting poor. The difficult part is growing the economy while reducing CO2 emissions”* (Dyck-Madsen, Interview). By decoupling, the Danish legislation on energy efficiency worked for both green politicians and NGOs on the one hand – and for a fiscally responsible government and business balance sheets on the other hand.

Denmark’s green reputation gained traction in 1990’s, when the Danish environmental agency increased in size and the energy governance grew accordingly. Experts at the European Environmental Agency (EEA) in Copenhagen reaffirmed this notion. As project manager Anca-Diana Barbu pointed out, it is no coincidence that the agency is placed in Copenhagen – it is a testament to the significant, green steps that were taken in the early 1990’s, during Svend Auken’s tenure as Minister for Environment and Energy (Anca-Diana Barbu, Interview).

The Danish energy efficiency companies are to a significant extent a product of Danish legislation, which incentivized private and public investments in energy efficiency. By delivering products and services to the Danish market for years, these companies have

developed a significant expertise, which can be used at the European market (Dyck-Madsen, Interview). Thus the Danish focus is in line with the niche strategy that is outlined in the literature on *Small State Diplomacy* (Panke 2011, 124), and emphasized by inter alia Tallberg (Tallberg 2008, 692).

### *5.1.3. The Presidency's focus on Energy Efficiency*

Interviewing politicians and civil servants from the Ministry of Foreign Affairs and the Ministry of Climate and Energy, the expertise criteria appears to be crucial for the selection of focus: “[...] *the decision is based on an assessment of overlapping interests between the Commission's proposal, the mood of the Council and our own interests and expertise [...]*” (High-ranking civil servant, MFA, Interview). As this quote suggests, the notion of policy expertise was one of very few factors that determined the Presidency's focus – though it does need to overlap with other factors as well.

To further emphasize the importance of expertise in selecting the focus of the Presidency, the high-ranking civil servant in the Ministry of Foreign Affairs emphasized, “*It is safe to say that the energy efficiency area was our number one priority among legislative files to finalize*”. Notably this was the perception in the Ministry of Foreign Affairs – and not only in the Ministry of Climate and Energy, which perhaps would be inclined to think of its own dossier as the most important. The agreement across ministries indicates that the energy efficiency area indeed was an explicit priority for the Presidency, which confirms Panke's argument concerning policy expertise. This unity within the Danish government is further emphasized in the section on Member State Coherence on page 38-41.

### *5.1.4. Effect of focusing on Policy Expertise*

Externally, the Danish focus on energy efficiency was noticed as well. In an interview conducted for this thesis, then Commissioner for Climate Action Connie Hedegaard reaffirmed that Denmark indeed did give priority to this policy area “*The Energy Efficiency Directive was clearly a priority for the Danish Presidency*” (Connie Hedegaard,

Commissioner for Climate Action, Interview). Furthermore she stressed the importance of the Danish Presidency in regard to the final Energy Efficiency Directive "*The directive is a good example of what a Presidency means for a policy area.... Denmark pushed for an ambitious directive*" (Hedegaard, Interview). Thus the Danish focus on energy efficiency had an effect on the negotiations and the final output. Hedegaard's assertion confirms the points made in the literature concerning Nordic Member States' ability to "punch above their weight", when it comes to environmental issues (Tallberg 2008, 693).

The fact that Denmark was a front-runner on green energy gave it a level of credibility, which also meant that the Commission decided to cooperate with the Danish Presidency on this issue. As Connie Hedegaard said, "*The Commission saw the Danish Presidency as a window of opportunity. We knew that the Danish Presidency would prioritize and push for an energy efficiency directive. Therefore we timed the process in order have Denmark chair the final stages of the negotiations*" (Hedegaard, Interview). As this quote signifies, the Commission relied on the Danish Presidency, just as the Danish Presidency relied on the Commission.

In conclusion, Denmark did indeed have a particular *Policy Expertise* on green energy, including impressive domestic results stemming from energy efficiency legislation. Secondly, the Danish Presidency made a conscious decision to design its agenda according to this expertise, by committing time and resources to the Energy Efficiency Directive throughout the Presidency. Thirdly, this focus had an impact at the EU level, including for the Commission. These findings confirm Panke's argument that policy expertise on a narrow area can allow a small state to exert significant influence. Thus the two hypotheses outlined in the beginning of this section were confirmed.

## 5.2. Member State Coherence: Green Denmark - Divided Germany

The first section of this analysis established that the Danish Presidency did in fact gain credibility on the energy efficiency area, due to its significant policy expertise and domestic results over decades. This second section uses the arguments of Allison and Putnam to analyze the extent to which the Danish Presidency benefitted from being a coherent actor on the energy efficiency area – and how a Member State such as Germany conversely suffered from incoherence on this issue and therefore had less power, than we would otherwise expect.

Hypothesis I: Foreign policy decisions are the product of agreement and disagreement between actors within government, which is thus not per se a unitary actor.

Hypothesis II: We should expect that domestic incoherence mean that in negotiations, a government can more easily be convinced of policies that it officially opposes.

In his seminal 1988 article *Diplomacy and Domestic Politics: the logic of two-level games*, Putnam makes an argument about the interconnection between the domestic and the international arenas. One key notion is the idea that a combination of internal disunity and external pressure can convince a national government to agree to policies that are different from its original position (Putnam 1988, 428).

Related to Putnam, the thesis finds that the Danish Presidency stood out as a unitary actor that had the support of businesses, NGOs and broadly in the Danish Parliament and thus spoke with one voice. Conversely Germany, which was skeptical of the directive, stood out as an incoherent actor, disunited by contradictory interests. The notion of Member State Coherence, which is tied to both *Bureaucratic Politics* and *Two-Level Game*, is thus shown to be an important factor in terms of using the Presidency to exert influence and further interest.

### 5.2.1. Denmark – united in green

Danish policy-making on green issues is characterized by broad political compromises. In addition to the official voting patterns in the Danish Parliament (Altinget 2012), three useful examples speak to this point and will therefore be elaborated. Lastly, the cause and effect of the Danish coherence is discussed.

Firstly, it is interesting to look into the Danish “Climate Commission” that was established in 2008. The official aim of this commission was to “[...] *examine how Denmark can reduce and ultimately eliminate dependency on fossil fuels [...]*” (“Green Energy - the Road to a Danish Energy System without Fossil Fuels” 2010). The Commission was established by the conservative government, which consisted of two of the *least* green parties of the Danish parliament. In addition, the Danish legislation, which important parts of the Energy Efficiency Directive were modeled after, was made in 2006 – by the very same conservative government. These facts constitute a “least likely case” regarding green ambitions in Denmark: even when the traditional green parties were not in power, green energy policies were high on the agenda. Lastly, the CO<sub>2</sub> record of the conservative government, which was in power from 2001-2011, is also illustrated in the graph presented previously: the decoupling continued regardless of government coalition.

Secondly, it was the conservative government that appointed Connie Hedegaard as the Danish Commissioner in 2009, after her tenure as conservative Climate and Energy Minister of Denmark. This appointment reaffirms that the conservative government wanted to set a green footprint on the EU, including the Commission’s agenda. Notably Connie Hedegaard went on to push for higher targets for the EU’s climate policies (EurActive 2013; The Guardian 2014), including taking the initiative for the 2012 Energy Efficiency Directive (High-ranking civil servant, MFA, Interview).

The third indication of Danish coherence on the green agenda is the fact that it was the conservative government that decided to focus on the Energy Efficiency Directive. Notably, the change in government in September 2011, only a few months before the



Presidency took place, did *not* change this priority. This is a testament to the significant Danish coherence on green energy. To quote the high-ranking civil servant from the Ministry of Foreign Affairs *“The platform was made by and for the conservative government that was in place when we started making the platform one year before the Presidency began. The official Danish Presidency tie was blue – we assumed that our government would be as well”* (blue is traditionally the color of center-right governments in Denmark) (High-ranking civil servant, MFA, Interview).

### *5.2.2. Denmark’s green coherence – cause and effect*

Having established that Denmark politically is characterized by coherence when it comes to green energy policies, two questions arise: Why - and why it matters.

The Danish business community is important to Denmark’s coherence on the green energy agenda. While the green parties and environment NGOs historically have argued for higher targets on energy efficiency – it was the Danish business community that made a real impression on the conservative Danish government. The reason for this is the historically close ties between the conservative parties and the business community, meaning that the latter’s appeal to the conservative government is likely to have a more significant effect, than environment NGOs (Danish PA-consultant, Interview).

Energy efficiency companies such as Danfoss, Grundfos, Velux and Rockwool all hold significant interests in delivering products in other European Member States (Danish PA-consultant, Interview). Thus the Confederation of Danish Industry confirmed the view of former Minister of Foreign Affairs Martin Lidegaard, who during my interview with him characterized Danish commercial interests as, “low-hanging energy fruits in eastern and southern Europe” (Lidegaard, Interview).

One testament to Lidegaard’s point is the fact that the Confederation of Danish Industry is being seen as the greenest part of Business Europe (Danish PA-consultant, Interview). The Confederation of Danish Industry has chaired several reports and work groups on

the green agenda, in order to further it in Brussels (Business Europe, 2016). Danfoss Public Affairs chief Alix Chambris confirmed this notion (Alix Chambris, Interview).

When the business community argued for a green agenda, this also provided the conservative Danish government with a useful tool, when attempting to convince Member States that were skeptic of the green agenda. By using the business case argument – that more energy efficiency would in fact make businesses more competitive – the Danish government had another kind of argument, which spoke to the concerns of Member States that were not among the traditional like-minded group on the green agenda (Lidegaard, Interview). This notion will be elaborated further in the ‘Coalition Building’ section.

Asked directly what made the energy efficiency such a priority, the high-ranking civil servant noted, “*The green agenda was straight-forward, because it was uncontroversial domestically*” (High-ranking civil servant, MFA, Interview). This statement illustrates that the Danish coherence is an important part of the Danish front-runner status: civil servants know that the area will not change, even if there is a change in government. Therefore they can comfortably propose policy ideas internally and convincingly present policies in EU negotiations externally. An additional advantage is that other Member States know that Denmark will walk the walk, when it comes to green energy policies, and therefore can be trusted.

In conclusion, Denmark is coherent when it comes to green energy. Politically, the Danish Parliament is characterized by broad consensus on this issue. In society at large, both the business community and the NGOs support an ambitious agenda. The effect of this is clear: it allows Denmark to speak with one voice in negotiations and grants Denmark a particular credibility on this issue, because counterparts know that Denmark’s position is stable, despite e.g. change of government – as was the case in the fall of 2011, only a few months before the Danish Presidency started.

### 5.2.3. Germany - the incoherent giant

In the case of the Danish Presidency in 2012, the German government took a skeptical position. According to civil servants and politicians that were part of the process on the Danish side, Germany's position remained skeptical and at best unclear throughout the negotiations (Lidegaard, Interview, Dyck-Madsen, Interview and the high-ranking civil servant, MFA, Interview). It is significant to see Denmark go against the will of Germany, because it traditionally is one of Denmark's closest allies, both in the EU and in international relations at large. One indication of this notion is the fact that the first trip of any new Danish Minister of Foreign Affairs always goes to Berlin. Nevertheless, the Danish Presidency went on to disregard this skepticism and forge a narrow winning coalition in the Council without the explicit support of Germany. As Minister Lidegaard said, "*[the vote was] very close [...] perhaps the most nail-biting experience I have ever had [...]*" (Lidegaard, Interview). The notion that Denmark decided to aim for a coalition instead of consensus was underlined by the fact that the margins of the final vote. (Lidegaard, Interview).

One of the key reasons for Germany's ambiguity was the division inside the German government. Interviewing Danish civil servants, they identified at least two fractions of the German government, concerning the energy efficiency issue (Bach, Interview). On the one hand, the green community in Germany was in favor of the directive and urged the German government to support it. The green community included actors such as Green MEPs, NGOs and the CDU Minister of Environment, Nature Conservation, Building and Nuclear Safety Röttgen (and later Altmaier). On the other hand, the FDP Minister for Economic Affairs and Energy Rössler took a more skeptical approach. This division meant that the German Coreper I Ambassador did not have a clear mandate on whether to try to block the directive or not. As the high-ranking Danish civil servant said, "*On the morning before the approval of the result by Coreper, we had no idea, whether Germany was on board or not [...]*" (High-ranking civil servant, MFA, Interview).

In this regard it is interesting to note that German NGOs put pressure on the German Government, including these actors, in order to influence their position in a particular

direction. The German incoherence is not a new phenomenon – cf. the CAP negotiations in the beginning of the century (Rosén and Jerneck 2005, 72), when Germany's incoherence meant that its power in the Council was weakened. Thus the German propensity to be internally divided was well known by other actors, including the Danish Presidency, which took advantage of this situation throughout the negotiations.

In conclusion, Denmark is a coherent actor, which is a consistently green and committed to the agenda regardless of government, and across sectors, from the industry to NGOs. This provided civil servants with the necessary confidence to focus on energy efficiency in the Presidency platform, despite the change of government. Speaking to politicians and civil servants from both the Ministry of Foreign Affairs and the Ministry of Climate and Energy, the focus on the Energy Efficiency Directive received broad support in Denmark. According to civil servants, the Danish coherence on the green agenda worked to increase the Danish credibility on this issue – in addition to the technical policy expertise outlined in the first section of this analysis. Conversely, the German ambiguity, which was caused by its internal division, reduced its power throughout the negotiations. Thus Hypothesis II was confirmed, because the German skepticism was overcome, due to its incoherence.

### 5.3. Coalition Building

Hypothesis I: A small Member State Presidency needs to build coalitions in order to influence legislation and further interests in EU negotiations.

Hypothesis II: A small Member State Presidency cannot maintain its role as impartial mediator, while influencing legislation and furthering interests by building winning coalitions.

These two hypotheses present a conundrum for any small Member State Presidency. On the one hand, it needs to build coalitions in order to further its interests. On the other hand, informal norms such as *Consensus Building* and *Impartiality* mean that winning coalitions that ignore the preferences of other Member States are seen as illegitimate (Elgström 2006, 172).

#### 5.3.1. The Danish Presidency's Coalition Building

From the very beginning, when the Danish Presidency planned its agenda, it held an explicit focus on *Coalition Building*. The Presidency was acutely aware that its ability to influence legislation and further interests depended on its ability to find more powerful partners, both in the Council and in the Commission and EP. As the high-ranking civil servant in the Ministry of Foreign Affairs said about the Danish choice of focus, “[...] *the decision is based on an assessment of overlapping interests between the Commission’s proposal, the mood of the Council and our own interests and expertise [...] Denmark always made sure to loyally present the viewpoint of the EP, because we agreed with that viewpoint*” (High-ranking civil servant, MFA, Interview). Supporting this statement, EP Rapporteur Claude Turmes said in an interview “[...] *in the last weeks, we had very regular phone contact [...]*” (Radio24syv 2012). Turmes referred to the Danish Minister for Climate and Energy Martin Lidegaard, which shows that the Danish Presidency was aware of the importance of building coalitions across EU institutions.

Though the Danish Presidency was aware of the need for coalitions, this did not mean that the Presidency per se sided with traditional like-minded Member States in the Council – meaning Nordic and Western Member States (Sannerstedt 2005, 107). On the contrary the Danish Presidency actually sided with unexpected Member States in the negotiations of the Energy Efficiency Directive (Dyck-Madsen, Interview, Lidegaard, Interview and (High-ranking civil servant, MFA, Interview). The traditional allies Germany, UK, Finland and Sweden were all critical, because the directive would favor the Danish model, instead of their respective models that were already in place. In other words, they were not against the intention of the legislation, but rather the model that was proposed by the Commission and put on the agenda by the Danish Presidency (Lidegaard, Interview). The upside to negotiating ‘against’ traditional allies can be linked to Elgström’s concept of *Relational Impartiality* norm. By working together with actors across traditional alliances, the Danish Presidency stayed open to building coalitions with Member States such as Poland, which turned out to be valuable, and signaled that it was not bound by the wishes of its traditional allies: “*Poland helped us put pressure on Western Member States...this was primarily because of the money and the wish to become energy independent [...]*”, Minister for Climate and Energy Martin Lidegaard noted (Radio24syv 2012). The Danish coalition with Poland was also noted in the Commission. By Commissioner Hedegaard (Hedegaard, Interview).

When the Danish Presidency experienced gridlock in terms of passing the Energy Efficiency Directive, it sought to move the negotiations from the work group level to the Coreper level at a relatively early stage. This was unusual because the technical aspects had still not been solved (High-ranking civil servant, MFA, Interview). However it was a very conscious decision, because it helped ease the compromising, partly because there was a higher level of trust among the ambassadors, and partly because they had more of a mandate to actually negotiate than the technical civil servants at the work group level (which is often the case (Sannerstedt 2005)).

This move can be linked to Elgström’s concept of “*Process Impartiality*”. While the move from the work group level was unusual, the Danish Presidency cannot be blamed for being partial, or only listening to one side of the argument. Thus the Danish Presidency’s

decision to change the forum of negotiations was clever, because it was effective, without being illegitimate.

Another part of the *Coalition Building* had to do with bilateral relations. The Danish Minister for Climate and Energy Martin Lidegaard made direct calls and at least one trip to his colleagues and asked them to contact their respective ambassadors, if the Danish ambassador experienced difficulties in the Coreper I forum (Lidegaard, Interview). By managing the negotiation agenda in a manner that allowed the negotiations to take place in a setting known to foster compromises, the Danish Presidency did in fact seek to make coalitions more probable. The fact that bilateral contacts were made via the embassies also confirms that the Danish Presidency had a functional and effective Foreign Service at its disposal (Tallberg 2008, 696).

### 5.3.2. *The role of the EP: Institutional Change*

In terms of coalition partners, several interviewees emphasized the Danish alliance with the EP. As the high-ranking civil servant noted, “*Denmark always made sure to loyally present the viewpoint of the EP [...]*” (High-ranking civil servant, MFA, Interview). In this way, Denmark was able to maintain its status as a relatively honest broker, which is in line with Elgström’s ‘Process Partiality’ norm. At the same time, Denmark was able to maintain its influence, “*We see the EP as our ‘second chance’ to exert influence, when it comes to green issues. Other Member States may see the EP in the same way on other issues, where they agree*”, the civil servant in the Ministry of Foreign Affairs noted (High-ranking civil servant, MFA, Interview). Peter Bach from the Danish Energy Agency confirmed that the EP was an ally, and further highlighted the importance of the EP’s extraordinary unity on this issue. By voting almost unanimously for the directive, the EP constituted a real asset for the Danish Presidency, because the EP thereby granted the directive even further legitimacy.

The alliance between the Danish Presidency and the EP is significant for two reasons. First of all, it shows that an institutional change (in this case the Lisbon Treaty), which on paper makes one actor more important, actually has effect in real life. This is

interesting for our understanding of the relationship between agency and structure, because it confirms that a change in the latter has concrete influence on the former. Secondly, the increasing importance of the EP means that Presidencies gain a coalition partner, if and when their positions overlap. This is particularly interesting for small Member State Presidencies, because they need coalition partners more so than large Member States do – which the Denmark has publicly acknowledged (Larsen 2005, 69). Moreover, the EP also constitutes a relatively legitimate partner, because they can claim to ‘speak on the behalf of the people’. In the case of the Energy Efficiency Directive, this notion was particularly true, since 642 voted for the directive, whereas only 25 voted against (EurActive 2012). Thus for a Presidency, building a coalition with the EP can be useful strategy, especially if it wants to maintain a level of legitimacy, when furthering its own interests.

In terms of the directive itself, the Danish Presidency was placed similarly to Sweden in Costello and Thomson’s 2013 analysis of the negotiations of a directive on waste (Costello and Thomson 2013, 1030).

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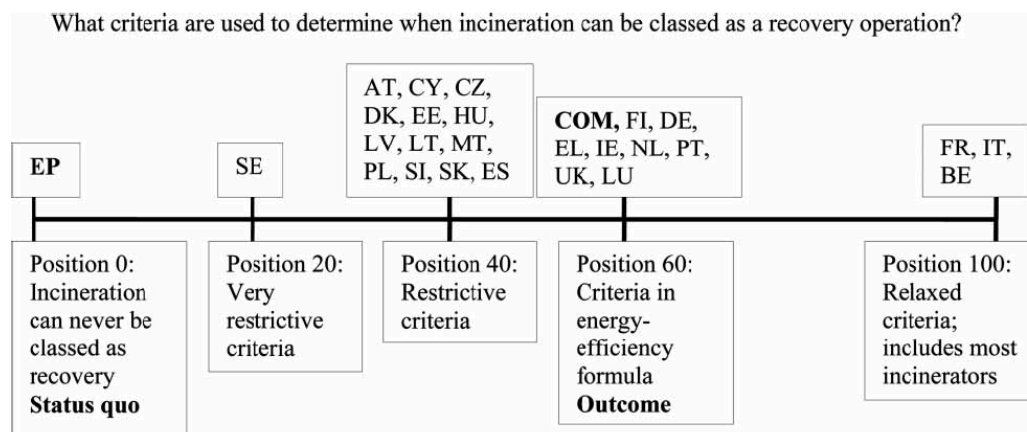


Figure 2: A controversial issue from the proposal on waste (Costello and Thomson, 2013: 1030)

This meant that Denmark was in between the EP and the Commission, which had made the original proposal. Therefore Denmark had a pronounced preference that was different from most of the Council, which also meant that the eventual Energy Efficiency



Directive was less ambitious than the proposal from the Commission, though higher than the lowest common denominator. The Danish energy efficiency expert and part of the Danish Presidency negotiation team Peter Bach characterized the end result as *“Two thirds of the Commission’s initial proposal [...]”* (Bach, Interview).

The notion that the EP was increasingly important was confirmed in my interview with then-Commissioner for Climate Action Connie Hedegaard, who acknowledged the importance of this coalition: *“The notion that the relevant Commissioner, the EP and the Presidency were in agreement definitely increased the influence of the Danish Presidency in the Council”* (Hedegaard, Interview).

In terms of coalition building, the Commission was just as aware as Denmark that the 2012 Presidency was an opportunity to make progress on the green energy agenda: *“The Commission saw the Danish Presidency as a window of opportunity. Therefore we timed the process in order have Denmark chair the final stages of the negotiations”* (Hedegaard, Interview). This statement confirms the notion that *Coalition Building* was important in regard to the Energy Efficiency Directive.

### 5.3.3. Making coalitions legitimate: The Common Good of Europe

The Danish Presidency's *Coalition Building* was conducted so that Denmark was not accused of violating the informal norms of broker and mediator. The question is how.

According to Panke, a small state can further its influence by combining its policy expertise with a policy that can be seen as a common good (Panke 2012b, 387). To that end, when it comes to framing policies, small states do often have more room for maneuver than large states that are under more scrutiny and whose interest tend to affect other actors more heavily than small Member State Presidencies (Panke 2012a, 320).

By successfully framing a policy as a common good and thereby gaining legitimacy among other actors, Denmark could more easily build a coalition, using the argument of 'common good' (Panke 2012b, 396). This was particularly true, considering the unity of the EP in terms of supporting the directive. In terms of building coalitions with Member States that are not normally Council allies, then Minister for Climate and Energy Martin Lidegaard noted in the interview conducted for this thesis "[...] *even the most conservative minister in Eastern Europe, who was not fond of green issues, can see that this helps businesses become more competitive and the state less reliant on Russian energy [...]*" (Lidegaard, Interview). This notion is especially important to the energy efficiency area. As Frederica Mogherini's energy advisor Sigurd Schmidt said in my interview with him, "*Energy policy is security policy*" (Schmidt, Interview). Kristian Jensen, previous Minister of Foreign Affairs of Denmark, seconded this stating, "*The safest, cheapest way to reduce the reliance on Russia, is energy efficiency*" (Kristian Jensen, Interview), when asked by this author at a conference on EU energy policy in Copenhagen. That way, by adding a security component to the energy efficiency agenda, Denmark can better convince climate skeptics.

In addition to the security aspect, the Danish Presidency made an effort to include a commercial argument, in addition to the environmental one. Concretely, during an informal lunch in Horsens, Danish energy-intensive companies were invited to present

their positive experience with the Danish energy efficiency legislation. By using economic arguments in this manner, the Danish Presidency was able to appeal to actors in the negotiations that were more skeptical of the Energy Efficiency Directive, which in some ways were similar to the existent Danish legislation.

*“Poland helped us put pressure on Western Member States [...] this was primarily because of the money and the wish to become energy independent [...]”* (Radio24syv 2012). This captures both the significance of the directive, but also that the economic and geopolitical side of the argument made a difference in regard to the support for the directive.

In conclusion, the first hypothesis can be confirmed, seeing as Denmark clearly built coalitions in order to influence legislation and further its interests. The second hypothesis however is falsified: The Danish Presidency was able to both build coalitions and be a mediator at the same time. This was primarily because the Danish Presidency was able to frame the energy efficiency agenda as a common good.

#### **5.4. Non-State Actors**

In the literature, non-state actors are especially prevalent in the realm of Multilevel Governance. Scholars such as Jönsson and Strömvik have researched the emergence of non-state actors as it relates to negotiations in the EU, emphasizing the notion that Member State governments are no longer the only important actors (Jönsson and Strömvik 2005, 15).

Hypothesis I: Non-State Actors were important in the negotiations of the Energy Efficiency Directive as part of informal networks.

Hypothesis II: Small Member State Presidencies in particular can use Non-State Actors to increase their own influence and thereby compensate for their limited power in negotiations.

Jönsson and Strömviik's research finds that informal networks "[...] tend to transcend territorial boundaries, involving governmental as well as non-governmental organizations"(Jönsson and Strömviik 2005, 18). Jönsson and Strömviik identify five effects of informal networks on negotiations:

1. Avoiding stalemate.
2. Transforming the role of the state.
3. Creating diffuse loyalties.
4. Engendering trust.
5. Making sure that the decisions are implementable.

By applying this framework to the Danish Presidency in 2012, one can identify at least four of these factors as important to passing the Energy Efficiency Directive. Thereby it is concluded that Non State Actors indeed did play an important role in Energy Efficiency Directive negotiations cf. Hypothesis I. Secondly, the Danish Presidency is a useful case for showing that a small Member State indeed can use the Presidency to increase its influence on a particular policy area, when it is including informal networks and non-state actors. Thus Hypothesis II is confirmed.

First of all, in terms of "*Avoiding stalemate*", the rapporteur of the Energy Efficiency Directive, Claude Turmes, said that "*we organized articles in the German press, where we put pressure on Merkel [...] there were a lot of questions from German Socialists and Greens to the government in in order to push them*" (Radio24syv 2012). By appealing to the political left in Germany, the EP and the Danish Presidency together sought to have influence. As Turmes noted, "*This was our way of informally influencing Germany*". The informality of the influence was further confirmed by Turmes, stating, "*If I want to win as a parliamentarian, I have to understand the negotiation positions of the Governments. And then I tell people to push the governments in our direction*" (Radio24syv 2012).

The Danish green energy expert Mr. Søren Dyck-Madsen reaffirms this notion. As Madsen notes, "*the Danish Presidency was successful in using the NGOs to extend its message and to set an ambitious green agenda*" (Dyck-Madsen, Interview). The latter notion confirms the that informal networks, including the NGOs, can help avoid

stalemate. In addition it confirms that *Non-State Actors* can be valuable in *Coalition Building*, which Jönsson and Strömvik argue as well (Jönsson and Strömvik 2005, 19). This notion (and the way in which other concepts related to each other) will be elaborated in the next section “Reflections on findings”.

Secondly, the notion that non-state actors can help avoid stalemate ties into the second element “*transforming the role of the state*”. The fact that the Danish Presidency made a conscious decision to use non-state actors as amplifiers for its own policy confirms Jönsson and Strömvik’s argument that governments no longer play the role of exclusive actors on the negotiation scene. Rather “[...] *governments are gradually turning into mediators between political and economic spheres and domestic and international activities*” (Jönsson and Strömvik 2005, 19). One of the key reasons for this development is the increasing integration of policies and policy-making. In terms of influencing policies, this development is conducive to businesses and NGOs, because they are transnational in nature – as oppose to Member States (Jönsson and Strömvik 2005, 20). The state’s new role was confirmed by several interviewees, who emphasized how the inclusion of businesses in the informal Council meeting in Horsens. Then, the Danish Presidency “*decided to include an array of Danish businesses in order to persuade the respective Minister for Climate and Energy that the existent Danish energy efficiency legislation indeed would work as a model for the Energy Efficiency Directive*” (Lidegaard, Interview). Thereby the Danish Presidency was able to facilitate the political and economic concerns, rather than keeping the discussions separate.

Thirdly, the notion of ‘*diffuse loyalties*’ is relevant to the case of the Danish Presidency, because the several interviewees said that interests and actors are no longer Member State-based, but instead relate to interests that transcend borders (Lidegaard, Interview and Dyck-Madsen, Interview). One good example is the cooperation between the Danish Presidency, the Green rapporteur from Luxembourg Claude Turmes, and the non-state actors such as environmental NGOs from Germany. Clearly loyalty is no longer determined by nationality, but by overlapping political interests. This notion ties into the ‘*Member State Coherence*’ point presented previously, which concluded that Germany was incoherent in regard to the Energy Efficiency Directive. The notion that

loyalties are increasingly diffuse makes the Danish coherence on this matter all the more significant.

Fourthly, in terms of “*engendering trust*” between negotiating parties, the informal networks constitute a crucial factor in explaining the Danish Presidency and the Energy Efficiency Directive. Speaking to a high-ranking civil servant in the Danish Ministry of Foreign Affairs, this was especially important in the Coreper I setting: “*No doubt there was a good relationship and high level of trust between the Danish and the Polish Coreper I ambassadors. These were important factors in terms of passing the Energy Efficiency Directive*” (High-ranking civil servant, MFA, Interview). The question is, what caused this trust? According to the Danish civil servant, this trust was the product of both formal and informal factors. First of all, the formal setting implies that the Danish and the Polish ambassadors sit next to each other, because the seating plan follows the chronology of the Presidencies. In addition, the Denmark and Poland were part of the same Presidency *Troika*, meaning that they already had coordinated an array of policies. This allowed the ambassadors to get to know each other even better. However, in addition, the two ambassadors had developed a sense of trust via informal networks, which was conducive to making the compromises needed in the Coreper I, including the negotiation of the Energy Efficiency Directive. In this case, Danish-Polish coordination was even more essential, because negotiations of the directive stretched the Danish Presidency and the Polish Presidency. Therefore representatives from the two Member States were coordinating even more intensely, which deepened their trust even more.

The notion that the Danish and Polish ambassadors cooperated on this issue is even more significant, when one considers how much these Member States normally disagree on green issues – and the normal coalition patterns in the Council (Elgström et al. 2001, 117). The newly presented energy package from the Commission is a case in point: The Danish government and MEPs have argued that it should go even further and set higher, binding targets. Conversely, the Polish government and MEPs across party lines are very skeptic of the Commission’s green ambitions (MEP Morten Helveg Petersen, Interview). In other words, the Danish-Polish cooperation, driven by the Coreper I ambassadors’ formal and informal network, was not the product of a traditional alliance.

In conclusion, the Danish Presidency deliberately and successfully made use of informal networks with non-state actors in regard to the Energy Efficiency Directive. We can therefore establish that non-state actors indeed do matter in EU negotiations and that small Member States in particular can make use of them to increase their influence. In a theory-building sense, an explanation of the Danish Presidency’s ability to pass the Energy Efficiency Directive thus needs a Multilevel Governance component.

### 5.5. Conclusion of Analysis II

The second analysis has shown that Denmark consciously prioritized its Presidency according to *Policy Expertise* and that this decision granted it a level of credibility, which was useful throughout the negotiations. Secondly, the Danish domestic coherence, across the aisle in parliament and among businesses and NGOs, meant that the Danish Presidency was able to speak with one voice in the negotiations. Thirdly, coalitions with actors such as the Commission and the EP, besides inter alia Poland in the Council, was crucial because it allowed the Danish Presidency to both pursue its interests and act as a mediator in the negotiations. Fourthly, the cooperation with non-state actors was conducive to this coalition building, because it made Denmark able to influence e.g. the German government via informal networks, in addition to the formal fora.

### 5.6. Overview: Analysis II Hypotheses

#### Policy Expertise

Hypothesis	Verified	Falsified
HI	X	
HII	X	

HI: If a small Member State uses the Presidency to further its own interest, we should expect it to choose an area of particular policy expertise.

HII: By prioritizing according to expertise, a small Member State Presidency is granted credibility, which can compensate for its limited power in negotiations.

### Member State Coherence

<b>Hypothesis</b>	<b>Verified</b>	<b>Falsified</b>
<b>HI</b>	<b>X</b>	
<b>HII</b>	<b>X</b>	

HI: Foreign policy decisions are the product of agreement and disagreement between actors within government, which is thus not per se a unitary actor.

HII: We should expect that domestic incoherence mean that in negotiations, a government can more easily be convinced of policies that it officially opposes.

### Coalition Building

<b>Hypothesis</b>	<b>Verified</b>	<b>Falsified</b>
<b>HI</b>	<b>X</b>	
<b>HII</b>		<b>X</b>

HI: A small Member State Presidency needs to build coalitions in order to influence legislation and further interests in EU negotiations.

HII: A small Member State Presidency cannot maintain its role as impartial mediator, while influencing legislation and furthering interests by building winning coalitions.

### Non-State Actors

<b>Hypothesis</b>	<b>Verified</b>	<b>Falsified</b>
<b>HI</b>	<b>X</b>	
<b>HII</b>	<b>X</b>	

HI: Non-State Actors were important in the negotiations of the Energy Efficiency Directive as part of informal networks.

HII: Small Member State Presidencies in particular can use Non-State Actors to increase their own influence and thereby compensate for their limited power in negotiations.



## **6. Reflections on Theory Building**

Thus far it has been established that Elgström's framework is useful, but needs additional elements to explain the Danish Presidency, when it comes to the Energy Efficiency Directive. As a supplement to Elgström, a new framework consisting of four additional concepts was presented:

1. Policy Expertise
2. Member State Coherence
3. Coalition Building
4. Non State Actors

These concepts relate to different theories and together they constitute a more comprehensive framework for understanding and explaining the Danish Presidency. The theories behind the respective concepts reflect a New-Institutionalist approach, which combines both Rational Choice Institutionalism and Sociological Institutionalism. This is interesting, because it reflects a wish to include an approach that reflects both the logic of consequentiality and the logic of appropriateness (Tallberg 2006, 39–41). That approach reflects recognition of both the overall rationality of actors, but also of the challenge of these actors as unitary and the importance of norms in shaping the behavior of actors.

*Policy Expertise* is related to *Small State Diplomacy* and reflects an emphasis of legitimacy that can be increased via e.g. policy niches and technical know-how, but also assumes that states are fundamentally rational actors that seek to maximize power, though Panke does include both capacity and willingness as concepts (Panke 2011, 128). *Member State Coherence* with its roots in Putnam's *Two-Level Games* and Allison's *Bureaucratic Politics* is more based on logic of consequentiality – though they fundamentally challenge the rationality of states as *unitary* actors (Putnam 1988, 427; Allison and Halperin 1972, 41). Thirdly, the *Coalition Building*, which is tied to Elgström's *Negotiation* and *Mediation* framework, also combines the two, in the sense

that they assume that actors are rational, but also that norms do exist and matter to the behavior of actors. Fourthly, *Multilevel Governance* also challenges the idea of states as unitary actors, though with a focus on networks, including both formal and informal ones (Jönsson and Strömviik 2005, 15).

This thesis uses these findings to build a Presidency “toolbox” for other small Member States. By doing so, the aim is to elaborate on how generalizable these concepts are to other small Member State Presidencies and explain how the concepts are related to each other in order to establish a hierarchy.

### **6.1 Generalizability of Concepts**

While these concepts are deemed useful, they are not always sufficient in terms of allowing a small Member State to use its Presidency to have significant influence and further its interests. The reason for this is *diplomatic expertise*. As noted previously, the concepts can work as tools for the Presidency, because they can help it sharpen its focus on exactly those policies that can make it through the negotiation process and eventually become legislation. However if the Presidency fails to use these tools correctly, they are indeed like tools for the unskilled craftsman – useless.

For this reason, the generalizability of this framework to other small Member State Presidencies depends on the diplomatic expertise of the small Member State in question. But how do we know, if a small Member State has the sufficient expertise to use these tools? The short answer is, we do not. However in the literature, one can identify some features that can help make probable, whether a small Member State Presidency is able to make use of this framework.

One factor that may be conducive to diplomatic expertise is Presidency experience. Scholars such as Bengtsson, Elgström and Tallberg have found that Member States that have previously held the Presidency have learned important lessons (Bengtsson, Elgström, and Tallberg 2004, 319). By having Presidency experience, small Member States are more likely to have the relevant diplomatic skills, than small Member States

that have not held the Presidency, who may have a tendency to refrain from furthering its own interests and simply focus on working as an honest broker (Elgström and Tallberg 2003, 196).

It should however be noted that Presidency experience is not a prerequisite for using the tools to further Member State interests. Conversely, Presidency experience does not automatically translate into effective use of these tools or into an influential Presidency – which the Dutch Presidency in 1991 and 1997 showed (Elgström 2006, 187).

Another factor may be the functioning of the bureaucracy of the Member State's Foreign Service. This notion has been researched by inter alia Tallberg, who found that small Member States tend to be better prepared, because they rely more on policy knowledge and expertise, as they cannot rely on power alone. To this end, Tallberg quotes Jean-Claude Juncker for saying *“those representing smaller and medium-sized countries, they have the better knowledge of the dossier, because they have fewer people to prepare it [...]”* (Tallberg 2008, 701). Tallberg and Juncker's point was a recurrent theme, when talking to civil servants and politicians related to the Danish Presidency in 2012. Indeed the narrow coalition that was built in relation to the Energy Efficiency Directive reflected the Danish Foreign Service's ability to analyze the position of each other Member State in the Council.

One interviewee noted, *“Big Member State Presidencies are often the least effective...they often have to wait for their capitals to give instructions, before they could act on anything [...]”* (High-ranking civil servant, MFA, Interview). This notion signifies that size and structure of the Foreign Service matters, when it comes to the EU Presidency, including the extent to which diplomats can take advantage of the Presidency tools presented previously. Following this, the high-ranking civil servant from the Ministry of Foreign Affairs noted, *“The Presidency as a construct is fundamentally better suited to small and medium size Member States”* (High-ranking civil servant, MFA, Interview). His key argument for this claim was the notion that small Member States tend to give their permanent representations significant autonomy in terms of structuring the negotiations throughout a Presidency.

## 6.2. Connecting the Concepts

In the following, the connections between the four new concepts are presented. It is concluded that all of the concepts are important, but also that *Coalition Building* stands out as the most important one, because it is *necessary* for any small Member State Presidency that seeks to influence policies and further its own interests.

While the three other concepts are not necessary for a small Member State Presidency to influence policy and further its own interest, they are all crucial to *Coalition Building*. Therefore they should be included in the toolbox as well. In addition, the three concepts are conducive to each other, meaning that the presence of one makes the other more effective and thus in turn successful *Coalition Building* possible. One example of this notion could be that *Policy Expertise* improves *Member State Coherence*, which in turn will affect *Coalition Building* positively.

The next section is structured in the following manner. Firstly the connection between *Coalition Building* and respectively *Policy Expertise*, *Member State Coherence* and *Non-State Actors* are presented. This will work to determine that indeed *Coalition Building* is the most important of the concepts, but also that the three others are crucial to *Coalition Building*. Secondly a section will outline how the three other concepts are conducive to each other.

### 6.2.1. *Coalition Building and Policy Expertise*

A small Member State Presidency's ability to make use of its *Policy Expertise* is largely dependent on *Coalition Building*. Without any viable coalition partners, a small Member State Presidency cannot use its *Policy Expertise* to try and convince other actors in a negotiation setting.

What is interesting, however, is the extent to which *Policy Expertise* makes it more likely that a small Member State can convince possible coalition partners of its policy idea. As noted previously, Panke and others argue that showcasing good results and technical

skills in a policy area will be helpful, because it grants credibility to the small Member State. For small Member States in particular this is important, as they do not have the resources or the influence to offer potential coalition partners any significant pay-back on other issues – simply because the small Member States do not hold influence over a wide array of issues. Therefore they must seek to demonstrate credibility and technical knowledge in order to convince potential coalition partners to join the party.

### *6.2.2. Coalition Building and Member State Coherence*

The relationship between *Coalition Building* and *Member State Coherence* is in some ways similar to the one between *Coalition Building* and *Policy Expertise*. In both cases, the latter is conducive to the former, in the sense that both increase the likelihood of *Coalition Building*.

In line with Putnam, if a small Member State Presidency attempts to convince another actor of a particular policy, its arguments are weakened, if an important part of the Presidency's constituency challenges the policy that the Presidency is presenting. This is important for a small Member State Presidency in particular: because a small Member State per definition speaks with a low voice in international negotiations, it really needs to speak with *one* voice, when it eventually does speak up. Furthermore, a small Member State is more dependent on building coalitions in order to pursue its interests. Thus anything that is conducive to building these coalitions is important, even if indirectly so.

The case of the Danish Presidency in 2012 is a useful example of this notion. In this case, *Member State Coherence* played a relatively explicit role, because Denmark was able to adjust its appeal according to what actors it needed to build coalitions with. The Danish Presidency needed to appeal to the other Member State governments, including the Environment Ministry in Germany. To that effect, the Danish government cooperated with other Danish actors, in order for them to influence counterparts in other Member States. This strategy was possible and successful, because Denmark benefitted from Coherence on this issue across industries and NGO groups. The notion of activating non-state actors is elaborated in the next section.

### 6.2.3. *Coalition Building and Non-State Actors*

As mentioned in the previous section, *Non-State Actors* are important to *Coalition Building*.

In line with the thinking of Multilevel Governance, actors such as NGOs and businesses (but also MEPs, as in the German example mentioned previously) can communicate with domestic actors in other Member States much more effectively and legitimately than e.g. the government of the small Member State that holds the Presidency.

Concretely, Danish environmental NGOs communicated with its European counterparts in order to influence the domestic agenda in those Member States. In addition, the skeptics of the green agenda were targeted in a manner that was designed accordingly: the Danish government benefitted from having Danish energy-intensive companies deliver the message to Member State representatives, who needed to be convinced that this directive in fact would save them money and make their industries more competitive.

In conclusion, *Non-State Actors* can be important to *Coalition Building*. However it is unclear, whether *Non-State Actors* are always important to *Coalition Building*, e.g. on other policy issues. In addition, one can hypothetically imagine *Coalition Building* without *Non-State Actors*. Conversely, *Non-State Actors* are not very interesting, if a small Member State Presidency does not have viable coalition partners in the Council or among other EU institutions.

### 6.2.4. *How Policy Expertise, Member State Coherence and Non-State Actors are related*

These three concepts are interrelated in that they seem to be conducive to each other. A certain level of political and societal Coherence in a Member State is conducive to developing significant policy expertise in an area, because significant economic investments are often needed. This expertise may give way to significant non-state

actors, e.g. businesses, NGOs or educational institutions that can in turn set the agenda. While the three concepts are related to different theories, respectively *Small State Diplomacy*, *Bureaucratic Politics* and *Two-Level Games* and *Multilevel Governance*, they can enhance each other. The case of the Danish Presidency works as a case in point.

In the case of the Danish Presidency, the policy expertise on green energy was largely a product of investments in Danish green energy, which were made by broad political compromises in the Danish parliament, reflecting coherent political support, also among non-state actors (Dyck-Madsen, Interview).

The investments led to significant results in terms of lowering green house gas emissions even when increasing economic growth – as shown in the graph on page 35. In turn, policy expertise also reinforced the Member State Coherence, as both left and rightwing governments identified the apparent advantages to this agenda and therefore were inclined to continue the support.

However this is not to say that the concepts depend on each other. France is unique in its use of nuclear energy, but important domestic groups do oppose this idea (BBC News 2016). Likewise, the Dutch right-wing party PVV and its leader Geert Wilders counter the Netherlands' profile and front-runner status on promoting human rights and international law, but remain very popular among Dutch voters (BBC News 2016). Thus *Policy Expertise* and *Member State Coherence* can exist without each other.

Lastly, the concepts are not static: a Member State that aspires to become a policy front-runner needs to *actively* take advantage of its Coherence and expertise by making reforms that are significant both in direction and pace – and use these in negotiations in the EU. In this way, a Member State relies on diplomatic expertise and political leadership in order to benefit from *Policy Expertise*, *Member State Coherence* and *Non-State Actors*.

#### 6.2.5. Policy differences: Intensity of factors

In addition to connecting the four concepts, it is interesting to reflect on, whether the importance of the concepts depends on the policy in question. While energy has historically been a sensitive policy area, which has been a national prerogative throughout the EU's history, and while the coalition that voted for the directive was narrow (maybe for that reason), other policies might have made the four concepts determined in this thesis more or less important. If one considers issues such as migration, economic packages for southern Member States or terrorism, governments may be even more sensitive. In such cases, the importance of e.g. *Policy Expertise*, *Member State Coherence* or *Non-State Actors* may be reduced.

#### 6.2.6. Conclusion

In conclusion, *Coalition Building* stands out as a necessary concept, if a small Member State is to pursue its interests. Even if a Member State has the *Policy Expertise* and the *Member State Coherence*, this will not make its policy preferences into EU legislation, without *Coalition Building*. On the other hand, *Policy Expertise* and *Member State Coherence* are conducive to *Coalition Building*, but not always necessary. Lastly, *Non-State Actors* were important in the case of the Danish Presidency in 2012, but it is unclear that they would always constitute a factor across policies, such as those mentioned above.



## **7. Methodological Considerations on Findings**

### *7.1. Interviews*

An important part of the data analyzed for this thesis consists of interviews with politicians and civil servants. The interviewees are primarily Danish civil servants, in addition to then Danish Minister for Climate and Energy Martin Lidegaard and then Climate Action Commissioner Connie Hedegaard. Furthermore an array of private actors from companies, think tanks and universities, some of whom wanted to speak on the record, have provided perspectives that guided the investigative flashlight in the direction of the Danish Presidency and its influence on the Energy Efficiency Directive.

The choice of both civil servants and politicians reflect a wish to get different perspectives and check for varying/coinciding recollections of the same events. In addition, it has been imperative to interview both civil servants that remained in the Ministry of Climate and Energy, as well as interviewees that now serve outside of it. This is done in order to test for possible bias, which may result from 'loyalty' towards the current employer. Nevertheless, it remains difficult to check if the interviewees' respective recollections reflect a broader perception among Danish civil servants, or merely that of the interviewees. Also it is difficult to know, whether this recollection has changed since the Presidency in 2012, or if it remains constant, despite new political developments. To the latter point, one may imagine that the civil servants and politicians remember the Danish influence on the directive more gloriously, when it has shown to have positive effects on energy efficiency in the EU.

In this regard, it should be emphasized that the vast majority of the interviewees are Danish. The reason for this is simple: access. As a student assistant in the Danish Ministry of Foreign Affairs, it was relatively straightforward to get access to Danish civil servants and decision-makers. However, this advantage was not as pronounced in regard to diplomats and politicians from other Member States. Therefore the data is predominantly Danish, despite the attempt to diversify it. This has at least two

implications. Firstly, the focus was necessarily Danish in nature, simply because the sources knew more about the Danish Presidency than e.g. other Presidencies. Secondly, it may have the effect that the significance of the Danish Presidency has been exaggerated. Not because the interviewees (or the interviewer!) were consciously trying to expand the Danish footprint. Rather the focus on Denmark must invariably have left other factors relatively underexposed, which makes the Danish Presidency impact appear more significant.

In addition, the interviews conducted in person took place in the autumn of 2016, while concerning negotiations that took place in the spring and summer of 2012. While it may be an advantage that the interviewees no longer feel bound by the same level of confidentiality, it is however a limitation that they are asked to recollect details from so long ago. In fact, several potential interviewees have declined to comment on the negotiations, because they believe that their recollection would be inaccurate.

## *7.2. Assessing the Danish impact*

In terms of assessing the impact of the Danish Presidency, it is difficult to determine exactly which of the Presidency's actions that had what effects – or to know what would have happened, if another Member State had chaired the negotiations. We simply lack counterfactuals. The conclusions reached in this thesis should therefore be assessed accordingly. Rather than seeking to reach a finite conclusion about causality, the aim was to contribute to the field by using and building on Elgström's framework to understand how the Danish Presidency influenced the Energy Efficiency Directive.

One important consideration concerns the coalition building between the Presidency and the Commission and EP. Throughout the analysis, it is argued that the Danish Presidency skillfully made a coalition with these two institutions. However it is difficult to prove that it was not the other way around – meaning that the institutions actively built coalitions with the Danish Presidency. While the Danish Presidency certainly did have both a visible footprint and a clear political interest in the final directive, the two institutions did as well.

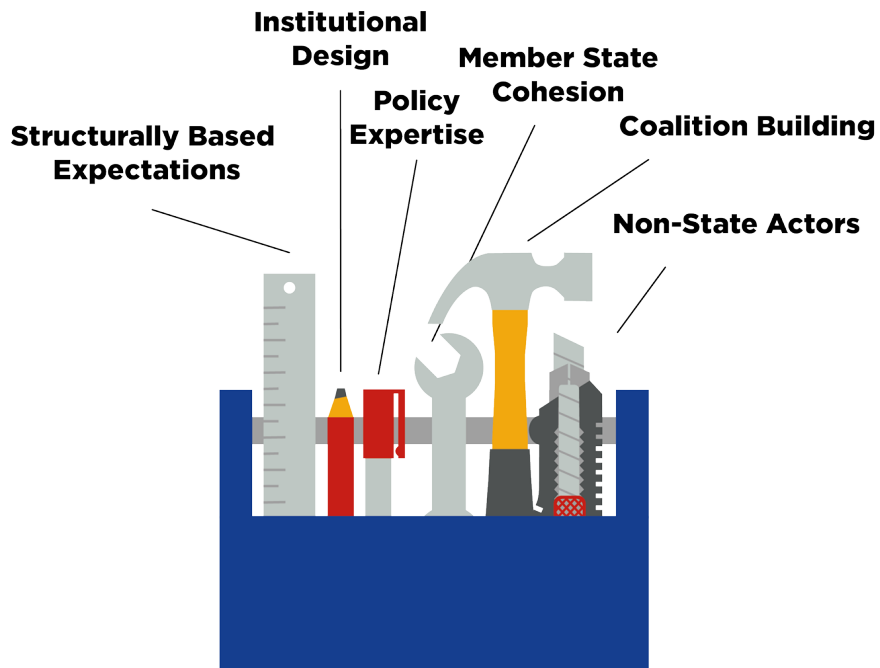
In support of the idea that it was the Commission that took the initiative, then-Commissioner for Climate Action Connie Hedegaard said that the Commission roadmap was scheduled in a manner that allowed important parts of the negotiations to take place during the Danish Presidency. *“The Commission saw the Danish Presidency as a window of opportunity. We knew that the Danish Presidency would prioritize and push for an energy efficiency directive. Therefore we timed the process in order have Denmark chair the final stages of the negotiations”* (Hedegaard, Interview).

Experts who were advising the Danish Presidency on energy efficiency, such as Søren Dyck-Madsen, have supported this view, stating that the Commission “obviously” timed the proposal in that way (Dyck-Madsen, Interview). The reason for this choice was that the Commission knew that Denmark would prioritize this issue and that its successor as presidency (Cyprus) would not. Thus it was crucial to the directive that Denmark held the Presidency – but in this perspective, the Commission could in fact be seen as the initiator that determined the timing of the process.

Nevertheless, even if the Commission indeed did plan the legislative process in a manner that allowed the most important negotiations to take place during the Danish Presidency, this does not falsify the “Danish Explanation”. In fact, the notion that the Commission considered the Danish Presidency to such an extent that it planned this directive accordingly is a testament to the fact that Denmark indeed was capable and willing to make progress on this agenda. By definition it takes at least two parties to make a coalition, which makes it difficult to isolate the Danish Presidency as the one party being more decisive.

In conclusion, the coalition building between the Commission and the Danish Presidency seemingly went both ways. However this fact does not reduce the significance of the Danish influence, but merely adds an important nuance to the nature of that influence.

## **8. The Presidency Toolbox**



Thus far this thesis has tested Elgström and found that his framework is useful, but needs additional elements. Secondly, a new framework has been presented in order to provide these new analytical concepts. Thirdly, the previous section elaborated on how these new concepts are connected and the extent to which they can be generalized.

In this section, the aim is to present the thesis' key take-aways for scholars and practitioners alike. The ambition is to provide future small Member State Presidencies with a diplomatic toolbox that can be used to determine the focus and priorities of a Presidency.

First of all, it should be noted that this toolbox helps a small Member State decide on what *not* to focus on. According to sources quoted previously, a Presidency can only influence 5 % of the agenda – the 95 % is already decided or consists of crises that appear. Therefore the Presidency must be extraordinarily careful when selecting what policies to promote during its Presidency. However, it may also be relevant to use the Presidency to delay a policy, which is not in line with its interests. In that case the tools apply equally well, though the aim is to reach a blocking minority (or better: not getting the legislation on the agenda at all).

There are several examples of Presidencies that have wasted diplomatic resources, political capital and windows of opportunity on policies that did not gain sufficient support in the Council i.e. among other Member States. The Dutch 1991 Presidency comes to mind, which not only resulted in Dutch failure in 1991, but also had ramifications for its 1997 Presidency (Elgström 2006, 186–87).

This Presidency Toolbox helps small Member States avoid such a scenario. Concretely, this toolbox provides four tools in addition Elgström's well-known concepts. Among the four new concepts, the notion of *Coalition Building* stands out as the most important one: as previously noted, *Policy Expertise* and *Member State Coherence* are not very useful, if no viable coalition can be build.

The first step for a future small Member State Presidency should be to consider if some of the many potential ideas could gain support among other actors, including the Commission, the EP and the other Member States. In this regard, personal relations between e.g. Coreper I ambassadors should be taken into consideration, cf. the Danish-Polish relationship, which was enhanced by the *Troika* system. In this regard, it is obviously important to consider the *Institutional Design*, as Elgström's calls it, including

the Member States of the same Troika, as well as the voting rules of the given legislation. In addition, it is important to consider the *Structurally Based Expectations*, because they will guide what other actors will deem legitimate in terms of conducting the negotiations throughout the Presidency. After having eliminated all the policy ideas that cannot pass the test of *Coalition Building*, the number of potential policies will most likely be dramatically reduced.

The second step is to find out, which of the remaining policy ideas that the Presidency will most likely be able to convince other actors of. In order to do so, the small Member State should use the three other tools outlined in this thesis.

Firstly, it should consider whether it has a particular *Policy Expertise* in one of the fields. By doing so, the Presidency makes sure that the game of cards is played in its own strong suit. Thereby the Presidency has an advantage when negotiating, because it knows that its own work group experts, Coreper I ambassadors and Ministers are likely to have a relatively deep knowledge of the issue that is negotiated. As shown previously, specific expertise on an issue can be valuable to a small Member State Presidency, because it thereby can showcase concrete results and thus support its arguments more convincingly.

Secondly, the future Small Member State Presidency should consider, whether the remaining policy ideas enjoy broad support in the domestic scene. This pertains to political opposition, businesses, NGOs and public opinion. If there is a certain level of coherence between the government's position and that of these domestic groups, the chance of successfully convincing other actors in the EU is increased. By taking this factor into consideration, a small Member State makes sure that it speaks with one voice in the negotiations.

Thirdly, the future President should consider, whether it is possible to include *Non-State Actors* in the process. As shown throughout the Danish Presidency, the ability to activate non-state actors can be very effective, when it comes to influencing other actors. In line with the thinking of Strömviik and others, new networks, both formal and informal, are

increasingly important. To tap into these networks and make them work to ones own benefit is therefore an interesting and often necessary tool. The Danish Presidency's ability to cooperate with the Green Rapporteur Claude Turmes and German MEPs that put pressure on the German government illustrates that this informal non-state factor can be effective.

In conclusion, the future small Member State Presidency has filtered all of its potential policy ideas down to relatively few. In this process many ideas have been eliminated. This is very valuable! By avoiding a waste of energy, resources, political capital and windows of opportunity, the Presidency can focus on the policies are both realistically attainable and further its own interests.

## **9. Conclusion**

From the outset, this thesis was based on the puzzle that Denmark was able to use the Presidency to influence the Energy Efficiency Directive and thereby further its interests, despite its small size and the norm that Presidencies act as impartial chairs that prioritize consensus-building over forging winning coalitions.

Throughout the two analyses, it was found that Elgström's framework provided useful and interesting explanations, but also that additional concepts were needed. To this end, the second analysis provided four new concepts that in concert can explain the puzzle: When a small Member State is able to focus on a policy area, where it has extraordinary expertise and where it is domestically coherent, it has a real chance of setting the agenda and influencing policy-making by building coalitions. Furthermore, by including non-state actors in the process, a small Member State can use the Presidency to further its own interests, without being accused of breaking norms – inter alia because it is able to frame the policy as a common good for the EU as such.

Based on this conclusion, the thesis' final contribution was the 'Presidency Toolbox'. This framework couples two of Elgström's concepts with the four new concepts in order to assist small Member States in using their Presidency in the best manner possible. To this end, it is useful to consider the six factors and how they relate to the relevant policy issue, as well as to each other. By doing so, a small Member State can prioritize its diplomatic resources and spend its political capital wisely.



## **10. Literature**

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List over Interviews:

Note: Not all interviewees were directly quoted or referred to in the thesis.

<b>Name</b>	<b>Position</b>	<b>Date</b>
Martin Lidegaard	Former Danish Minister for Foreign Affairs	16 Sep.
Christian Ibsen	CEO: CONCITO (green think tank)	26 Sep.
Sigurd Schmidt	Energy advisor to HRVP Mogherini	6 Oct.
Peder Ø. Andreasen	President: ENTSO-E	7 Oct.
Daniel Becker	Managing Partner, ECOFYS	7 Oct.
Morten Helveg Petersen	MEP, ALDE/Radikale Venstre	13 Oct.
Danish PA-consultant	Confederation of Danish Industry, Brussels	14 Oct
Alix Chambris	Head of PA, Danfoss, Brussels.	14 Oct.
Marion Santini	Head of PA, Coalition for Energy Savings	17 Oct.
Anca-Diana Barbu	European Environment Agency	24 Oct.
Connie Hedegaard	Former Commissioner for Climate Action	10 Nov.
Peter Bach	Danish Energy Agency	15 Nov.
Søren Dyck-Madsen	Danish Ecological Council	15 Nov.
Anonymous	High-ranking civil servant, Ministry of Foreign Affairs	15 Dec.