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The Danish EU Presidency of 2012: a Good Model for a Presidency in Time of Crisis?

***Abstract:** Generally, it is widely recognised that the Danish EU Presidency was professional and executed in the spirit of an honest broker.¹ At the level of the officials involved, the Danish Presidency was viewed as well-organised and result-oriented. At the same time, the Danish Presidency in 2012 was in a way disadvantaged by the fact that there was not any single big issue to be solved, as was the case in its previous Presidency in 2002, when the forthcoming enlargement was the biggest issue. This situation was taken into account in the process of formatting the Presidency in a such way that it was defined as a low-ambition leadership insofar as Denmark's own priorities and the far-reaching goals of the Presidency were concerned. Some argue that nothing more was to be expected from a historically EU-sceptic small country. Instead of an ambitious agenda, a number of issues were brought forward to the EU decision-making process which were a logical follow-up of the EU agenda. At the same time the Presidency was visibly silent on EU external policies and was discernibly disturbed at least twice: on the low carbon road map (unexpectedly vetoed by Poland) and on the Schengen Evaluation Mechanism, which led the Presidency into an unforeseen heated dispute with the European Parliament at the end of its term in office. Overall however, it is fair to say that the Danish Presidency eventually managed to fit the brand of an 'honest broker' or 'bridge over troubled waters' Presidency, with a touch of sustainability and green colour as its 'brand'.*

Introduction

Denmark's seventh EU Presidency can certainly be called a successful exercise, given both the internal and international contexts. Continuous reference was made to its previous 'historical' performance in 2002, marked by

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¹ P. Nedergaard, *The Danish EU Presidency – an Evaluation*, Institut for Statskundskab, http://www.cep.polsci.ku.dk/aktiviteter/nyhedsbrev/CEPNyhedsbrev_juni_2012.pdf (last visited 16.12.2012).

the formal decision to admit ten new Member States) and its totally different Post-Lisbon format in 2012. Unquestionably, there was also a new, deliberate strategy on the part of the government (seemingly based on the traditional Nordic minimalistic-style approach), which defined the 2012 Presidency as a low-profile EU chairmanship (self-dubbed as the ‘tap-water Presidency,’ in part to emphasise its environmental and sustainability concerns, but also its cost-effectiveness).

In contrast to the classical definition of a ‘successful Presidency’, typically measured by its handling of the external representation of the Union as well as chairmanship of the two formal European Council meetings, the post-Lisbon assessment focuses more on the Presidency’s ability to move forward on key dossiers in the nine sectoral Council formations it chairs, and on its ability to manoeuvre between the President of the European Council and the High Representative of the Union for Foreign Affairs and Security Policy. Crisis management is also an important factor impacting on the performance of a Presidency.² The question whether the Danish Presidency managed well or failed to deliver on most of its agenda can be assessed more precisely by taking a closer look at the way it faced its key challenges.

1. Challenges

First, the continuing challenge facing Denmark has always been its traditional image as a largely EU-sceptical country with its four EU opt-outs³ (in practice three: from the single currency, justice and home affairs, and defence) still in force.

² R. Adler-Nissen, J. Hassing Nielsen, and C. Sørensen, *The Danish EU Presidency 2012: A Midterm Report*, Swedish Institute for European Policy Studies, 2012, p. 13.

³ In response to the Danish no-vote in the Maastricht referendum in 1992, Denmark was granted four opt-outs from European co-operation: on defense policy, justice and home affairs, the euro, and union citizenship. This paved the way for the Danish reversal and its yes-vote in 1993. All four Danish opt-outs are laid down in the and supplemented by a special . Denmark’s opt-outs cannot be changed without Danish consent. In November 2007, the Danish Government announced its ambition to put the opt-outs to a referendum in the course of its four year term. This hasn’t happened, however. The opt-outs are maintained in the Treaty of Lisbon, ratified by Danish Parliament in April 2008. Yet the Treaty has opened the possibility that Denmark’s opt-out regarding cooperation in justice and home affairs in the EU can be changed, subject to approval by referendum. If approved, Denmark will be able to co-operate in justice and home affairs on a case-by-case basis. The present, center-left coalition made a promise to abolish the opt-outs, or at least some of them (the most unlikely to be abolished is the euro opt-out) but with no result as so far. See more: http://www.euo.dk/emner_en/forbehold/ (last visited 16.12.2012).

Paradoxically, the widespread lack of enthusiasm for the EU among Danish citizens, most regrettably including the young generation, did not affect the overall European-oriented policy of the Danish political elites, irrespective of the political colours of the incumbent government. Even the radical handover of power as a result of the general elections held on 15 September 2011,⁴ just three months prior to the Presidency's kick-off – which brought to office a centre-left coalition consisting of the Social Democrats and the Socialist People's Party, with Ms. Helle Thorning-Schmidt of the Social Democrats serving as Denmark's first female Prime Minister – did not disturb the preparation process for the Danish EU Presidency. Although its priority list was not revealed until the last possible moment preceding the official inauguration of its Presidency, a solid base for a broad consensus on European matters across the main political forces in the country had been safeguarded over the years by the Political Agreement on Danish EU Policy in a Globalised World of 21 February 2008.⁵ According to this Agreement, a permanent and powerful European Committee in the Danish Parliament, composed of representatives from all political parties, is charged with giving the Danish government its mandate prior to all Council meetings. This usually ensures broad parliamentary support for Danish EU policies and consistency from one government to the next. Because of this well-established EU coordination process, the centre-left government's negotiating position at the various Council dossiers was not dramatically different from how it would have been under, for example, the previous liberal-conservative government.⁶

Even the rapidly declining popularity of the centre-left coalition (being, in fact, a minority government from the very start, shortly after its formation)⁷ was in no way detrimental to the European policy of the Danish government or Denmark's Presidency. On the other hand, even with the advantage of Denmark's being at the helm of Europe in 2012, the government's

⁴ The elections ousted the center-right coalition that had been in power for ten years under the leadership of Mr. Anders Fogh Rasmussen (who headed the Danish 2002 Presidency and later became Secretary-General of NATO) and subsequently Mr. Lars Løkke Rasmussen, both from the Liberal Party.

⁵ Political Agreement between the Government (the Liberal Party and the Conservative Party), the Social Democrats, the Socialist People's Party, the Danish Social-Liberal Party, and the New Alliance on Danish EU Policy in a globalised World – 21 February 2008. See: http://www.eu-oplysningen.dk/euo_en/EUagreement/ (last visited 19.12.2012).

⁶ R. Adler-Nissen, *op.cit.*, p. 15.

⁷ Opinion polls reflected weakening public support for the coalition parties: from 21.8% for Social-Democrats and 8.1% for Socialists in December 2011 (according to Gallup research) down to a historic low of 16.9% and 5.7% respectively, according to a poll taken in May 2012, i.e. at the peak of the Presidency. See Gereens Analyse institut webpage: <http://capitalist.office-on-the.net/category/institut/greens/> (last visited 21.12.2012).

reputation was not improved to the extent that it was willing to put its promised abolition of at least some of the opt-outs up for vote in a national referendum.⁸

Fresh memories of the Danish border control issue (2011), which provoked considerable criticism from other member-states, especially neighbouring countries, also unquestionably cast a shadow on the construction of the Danish EU leadership, and its program was tempered and nonaligned to a large extent, including in other sectors.⁹ The idea was to promote the notion of Denmark as an honest broker – a role the country may be deemed to have ultimately achieved.

In terms of external challenges two main issues should be mentioned, namely the economic crisis and the difficult situation within the Euro zone, and the task to ensure a smooth start to the negotiations on the next multi-annual framework (MFF) for the EU budget. With respect to the first issue, Denmark reserved for itself the role of a bridge-builder between the countries

⁸ A risk of being out of the mainstream of Europe, especially at a time when a two-speed Europe is becoming a reality, is strongly emphasised by experts: *'a split Europe will not be in the interest of a small member state like Denmark. Denmark will however not be able to veto a development that we contributed to creating with our 'No' to the Maastricht Treaty 20 years ago. With the direction the EU is moving at the moment, Denmark will for the first time face the actual consequences of being an opt-out nation. The fear is of course that the Eurozone countries will create their own smaller version of the EU with the implication that the internal market that most Danes support and cherish will be gradually undermined. Though Denmark is still welcome to join this more exclusive club there is no sign that this will happen, not even in the remote future.'* Cited from: M. Wind, *Danish EU Membership turns 40 – have the Danes turned their back on the EU?*, Newsletter No.3/2012, Centre for European Politics, University of Copenhagen, p. 2.

⁹ On 11 May 2011 the Danish government concluded an agreement with the Danish People's Party and the Christian Democratic Party Political Agreement on the restoration of customs control on Danish borders. Its objective was to prevent the spread of crime in Denmark, including human trafficking, drug smuggling, weapons, dangerous goods, etc. The plan, which eventually was never fully implemented, provided for the strengthening of border control in three stages: Stage I – by 2012 it was planned to strengthen customs staffing by 50 customs officers deployed at border crossings, mainly Danish-German (approximately, 30 in southern Jutland, 10 in Rodby ferry ports and Gedser and 10 on the Danish-Swedish border (ferry in the port of Helsingør and the Oresund bridge); Stage II, from the beginning of 2012, provided for the purchase of additional equipment, and Stage III provided for a full border control with the use of new equipment and systems.

In the face of criticism from neighboring countries and the European Commission regarding the lack of prior consultation or notification of the planned measures, the Danish government argued that the proposed activities were in line with the Schengen Code and was limited to customs procedures alone. It was not certain, however, how much control would be permanent, an issue which was crucial for determining its compliance with EU legislation. The planned measures provoked critical reactions from the most interested countries – notably Germany, but also Sweden and Norway. The plans were eventually abandoned by the new government in Autumn 2011.

in the Euro zone and the rest. As regards the second issue, Denmark postponed for the time being its strong demand for a budget rebate, so as to appear as a truly unbiased honest broker.

2. Style of the Danish Presidency

The specific style of the Danish EU Presidency reflected a mixture of the post-Lisbon effect, a set of strategic goals (including some fresh ideas coming from the new coalition), a tactical line which can be described as ‘low-profile’ and ‘cost-effective’, a deliberately adopted ‘Brussels-based model,’ with roles divided between the Foreign Ministry on one hand and line ministries on the other, a touch of sustainability in the mode of execution of the ‘tap water’ Presidency, and the outstanding routine of Danish public administration.

As regards the impact of the Lisbon Treaty on the visibility of the Presidency, some researchers rightly noticed that it simply meant that neither Prime Minister Helle Thorning-Schmidt nor Foreign Minister Villy Søvndal had the opportunity to lead the most high-profile summits, as would have been the case before the Lisbon Treaty. Thus the ability to make political points, and to be able to leave the negotiating room and greet the press with the words ‘We got a deal!’, was significantly reduced. In addition, Denmark as a non-euro country was not present at the meetings of the Eurogroup, where a large part of the crisis management took place. This meant that developments with respect to the overriding issue of the economic crisis were largely out of Danish hands.¹⁰

The priorities of the Presidency, which in fact were not abundant, were chosen in such a way that they could be achieved relatively easily, however the overshadowing issue was unquestionably the financial and economic crisis, which simply dominated the agenda.

Such a construction of the Presidency program helped avoid disillusionment or similar sentiments. Instead, the Presidency proved to be an efficient manager of numerous smaller, sectoral European agendas, with a close look into the progress made with respect to the major problems and challenges (the economic situation and the euro zone, the MFF etc.) which dominated the term of the Presidency. As the preparation process preceding the Presidency in Denmark was well advanced in Denmark at the time of the change of the ruling governmental coalition, the final program for the Presidency was not

¹⁰ M. Buskjær Christensen, *Is the Danish Presidency a success? (in Danish)*, “BerlingskeTidende”, 24.06.2012.

dramatically changed, albeit more focus was placed on growth and the employment agenda and the green aspects of the economic agenda, putting more spotlight on sustainability, even in the logistical context (serving tap-water during meetings, using clean energy etc.).

The Presidency coordination model was based, to a certain extent, on the previous Danish EU Presidency, however this time around a larger role was assigned to line ministries (especially in practical and logistical aspects, albeit in general they benefited from the same Presidency budget). The real central command of the Presidency was located in the Danish Permanent Representation to the EU in Brussels, which was substantially reinforced (temporarily) by staff from the MFA and line ministries. The coordinating role was assigned to the Foreign Ministry, where a new office – the Minister for European Affairs – had been established. That coordination was shared with the Prime Minister’s Office.

A new specific feature of the recent Danish Presidency was the so called ‘back-to-back’ rule, which in fact marked the cost-effective mode of performing its tasks. That principle proved to be successful in the way it managed to service a large number of events (although less than the preceding Polish Presidency) with a limited budget, staff and facilities available. In fact, the actual costs borne during the Presidency were approximately 20 per cent lower than expected. This is even more impressive if the Danish Presidency budget is compared to the Polish one.¹¹

Also, comparison of the key figures relevant to both the Polish and Danish Presidencies clearly demonstrates that there are distinctive differences in the number of meetings held in each country (over 160 in Denmark and 452 officially registered in Poland), the number of people directly involved in the Presidency (over 40 employees in Denmark plus a staff of 156 people at the Danish Permanent Representation to the EU in Brussels, compared to a Polish ‘Presidency Corps’ of around 1,200 people), the number of delegates who participated in events (10,268 in Denmark and 23,783 in Poland) etc.¹²

The cost-effectiveness added a lot to the final image of the successful Danish Presidency, combined with the ISO certificate eventually obtained by the Presidency. Proudly declaring itself as the ‘Tap Water Presidency,’ the Danish Presidency in fact put sustainability at the centre of its all planning and implementation phases. In recognition of that effort, Denmark became

¹¹ The Danish Presidency budget was around 35 million EUR, while the Polish Presidency budget totalled 115 million EUR, see: Ministry of Foreign Affairs, Republic of Poland, *Polish Presidency of the Council of the European Union 1 July – December 2011. Final Report – preparations, achievements, conclusions*, Warsaw 2012, p. 53.

¹² *Ibidem*, pp. 57–67. See more in: *The Presidency in numbers*, at: <http://eu2012.dk/en/NewsList/Juni/Uge-26/The-Presidencys-achievements> (last visited 16.12.2012).

the first EU Presidency to be awarded a certification according to the ISO 20121 standard for sustainable events management. The most famous sustainable initiatives and solutions of the Danish Presidency included, among other things, tap water at all meetings in Denmark instead of bottled water, use of energy from wind turbines for all Presidency events, a waste management system that divided waste into sixteen different categories, use of recyclable or reused materials for all delegate badges and lanyards and the use of recycled paper for printers and copiers, availability of only eco-certified hotel rooms etc. Additionally, at conference halls no cut flowers were used in order to reduce costs and waste, biodegradable cups were made from corn starch, carpets were made from corn to help reduce CO₂ emissions etc.¹³ This approach also served as an explanation (or just a good excuse) for the lack of official transportation arrangements for the delegates to most meetings, as the sustainable policy embraced choice of locations close to public transport.

3. Expectations versus achievements of Danish Presidency: no disillusionment

As noted above, the assumption of the Presidential program was to take on board a couple of achievable (low-ambition, as some observers called it, but this might be disputed), tangible and, at the same time, close-to-the-citizen targets. Obviously, this scenario had been deliberately chosen in the light of the overshadowing financial and economic crisis in the euro zone, where Denmark, as a euro currency opt-out country, had fairly few, if any, instruments to utilise. Instead, a set of smaller but more attainable tasks, such as roaming or patent law, were aimed at securing an unchallenged successful record of the Presidency, notwithstanding, however, evident successful efforts in ‘heavy’ dossiers as well.

Indeed, the four overall priorities – a responsible Europe, a dynamic Europe, a green Europe, and a safe Europe – included issues of financial responsibility, jobs, and growth – issues which engaged the entire EU to the largest extent. The need for fiscal consolidation and greater budget discipline was crucial to safeguard against the financial crises, both in the present and in the future. Overall, as evidenced in the post-event report of the Danish Presidency, it delivered about 250 results.¹⁴

¹³ See: *The First Sustainably Certified Presidency of the Council of the EU*, (last visited 19.12.2012).

¹⁴ See more in: Ministry of Foreign Affairs of Denmark, *Europe at Work. The results of the Danish Presidency of the Council of the European Union in the first half of 2012*, Copenhagen 2012.

The first real test for the Danish Presidency was the Fiscal Pact issue, which threatened to split the EU into two or even more parts. The Fiscal Treaty was conceived to be a new frame for economic coordination and fiscal budgetary discipline in the Euro area. The agreement was for an intergovernmental treaty between the 17 Eurozone members, with voluntary participation offered to the rest of the EU Member States. After thorough discussions at the beginning of the Danish Presidency, the Fiscal Treaty became a reality at the Council summit on 2/3 March 2012, when 25 European heads of state of EU Member States, including Denmark, signed the new treaty, with abstentions by the United Kingdom and the Czech Republic.

The Council agreement on the Two-Pack enabled stronger European monitoring of budgetary plans drafted by members of the Eurozone. In effect, stronger common rules were established to reinforce the vigilance of Member States in their efforts to avoid large budget imbalances and unsustainable debt levels. The two regulations were aimed at enhancing cooperation between the euro area countries and completing the overall reform of the EU economic ground rules.

The first regulation was to enhance economic discipline through a common budgetary timeline and the presentation of draft budgetary plans as well as reporting on the countries' compliance with agreements on ensuring sound public finances (recommendations). The second regulation's purpose was to strengthen the surveillance of Eurozone countries that experience financial difficulties and/or may be in need of loans.

Equally important was the directive on capital requirements for European banks. This directive was aimed at minimizing the risk of another financial crisis hitting with the same force as the one in 2008 did.

The Danish Presidency also worked for a stronger commitment among Member States to implement structural reforms. The completion of the first full round of the European Semester was a decisive step towards a more responsible Europe. At the summit which took place at the end of the Danish Presidency, the European Semester – the framework for EU Member States' economic governance – concluded with the Member States adopting recommendations with respect to the steps each member state should take to respond to existing challenges.

The other important goal of the Danish Presidency was to configure the upcoming negotiations on the Multiannual Financial Framework 2014–2020 in such a way that discussion was possible and controversies over specific figures could be prevented to the maximum extent. It was commonly assumed that debates, disagreements and possible clashes over concrete sums of money to be allocated in specific budgetary headings and categories might delay or even paralyse progress in this sensitive area. The established target

was successfully achieved, as the Danish Presidency managed to prepare the 'ready-to-fill with figures' negotiating scheme at the end of its term of office.

Among other noteworthy documents adopted in this area during the Danish Presidency, one should be mentioned:

- Agreement with the European Parliament on a regulation aimed at increasing transparency and reducing risk in the over-the-counter (OTC) derivatives market. This act implies that trading in financial derivatives (derived instruments linked to shares, commodities and the like) is now to be conducted centrally in 'clearing houses' placed between buyers and sellers and guaranteeing the security of derivatives transactions. All derivatives transactions must be reported to central registers, which will enhance the overview capabilities of supervisory authorities and reduce uncertainty in the market if a financial institution falls into difficulties. Insufficient transparency in the derivatives markets was a significant reason for the spread of the financial crisis in the USA and Europe, and increased transparency is thought to reduce that risk and enhance financial stability;
- Agreement in the Council on the revision of the capital requirements directive (CRD IV). Amendments to the capital requirements directive are aimed at strengthening the requirements on banks to hold more and better capital reserves and liquidity, including rules on transparency with respect to banks' leverage and corporate management. They also strengthen the sanctions available to Member States when dealing with banks that violate the rules;
- Agreement in the Council on the revision of the regulation on credit rating agencies (CRA III). The new rules are meant to contribute to ensuring that credit ratings more accurately reflect real credit risks. Furthermore, the rules are aimed at reducing the dependency on credit ratings – both for investors and in financial regulations – and require that banks and investors rely to a greater extent on their own credit ratings. The new rules also provide better opportunities for investors and issuers to hold a credit rating agency liable if it fails to comply with the rules;
- Agreement in the Council on revision of the Transparency Directive. This contains common rules for disclosure to the public of better information concerning publicly-listed companies. At the same time it provides for a reduction of administrative burdens through a removal of disclosure requirements, including the requirement to publish quarterly reports, which can ease the access of SMEs to capital and make it easier for them to invest. The rules balance the need for disclosure to investors with the need to eliminate unnecessary administrative burdens on companies;

- Agreement in the Council on the Mortgage Credit Directive. The aim of this act is to ensure that consumers can afford the loans they are offered and enhance transparency when consumers choose loans. This is likely to ensure that a high level of information is supplied to consumers across the EU and put them in a better position to compare loans across markets and borders.¹⁵

The growth and jobs agenda ('a dynamic Europe') was kind of a flagship dossier, along with the green agenda, for the centre-left coalition in power in Denmark since late 2011, and the Danish Presidency worked persistently to promote growth solutions and kick-start a job-rich recovery in Europe. Indeed, the Compact for Growth and Jobs adopted in the European Council in June 2012 can be viewed as the perfect completion of the Danish Presidency, which highlighted that agreement as a light in the dark for the many European citizens feeling the harsh effects of the economic crisis.

The compromise in the European Council on patent reform – after more than thirty years of negotiations – was also counted by the Presidency as one of its major achievements. This solution was promoted as means for drastic cost savings for businesses across Europe – savings that can be used to promote new jobs.

The Presidency made also good progress on reforming and modernizing the Single Market. Concrete results achieved include the regulation on a European system of standardisation and agreement on proposals on venture capital and social entrepreneurship funds. This will help European businesses and social entrepreneurs access funding and should help boost growth in the EU.

The previously-mentioned roaming regulation is also an important result. It will lower prices significantly on cell phone usage in Member States and reduce the communication burdens on EU companies. In addition to the price ceilings, the regulation introduces new ground rules for mobile operators, which will enhance competition and align the price of using mobile telephones and laptops in other EU Member States more closely to the prices in place in national domestic markets. It is also a good example of one of the Danish Presidency's 'concrete results' which is tangible to Europe's citizens.

More light in this regard could be shed by looking more closely to the following set of documents and agreements achieved during the term of the Danish Presidency:

- Agreement with the European Parliament on the directive with respect to the interconnection of business registers;

¹⁵ Ministry of Foreign Affairs of Denmark, *Europe at Work...*, op.cit., pp.9–11.

- Agreement with the European Parliament on the Internal Market Information System (IMI);
- Agreement with the European Parliament on the directive on orphan works (providing for digitalization of cultural institutions etc.);
- Agreement with the European Parliament on a pilot phase for European project bonds;
- Agreement with the European Parliament on a regulation concerning bilateral investment treaties (establishing transitional arrangements for bilateral investment agreements between Member States and third countries);
- Agreement with the European Parliament on a regulation with respect to the Generalised System of Preferences (GSP) (a new regulation concerning tariff preferences for developing countries, meaning that from 2014 the EU will give the poorest and most vulnerable developing countries particularly favourable market access terms through tariff reductions for industrial goods and agricultural products);
- Agreement with the European Parliament on the succession regulation, which will considerably simplify procedures for handling cross-border succession cases. The regulation contains rules on which court has jurisdiction to deal with cross-border succession cases, and which legislation should apply to a case;
- Agreement in the Council on the directive on conditions of entry and residence of third-country nationals within the framework of an intra-corporate transfer (the objective of the directive is to make the EU competitive by making it possible to respond effectively and promptly to demands for managerial and qualified employees for branches and subsidiaries of multinational companies. The proposal contains a regulation concerning mobility between Member States, which will increase mobility for highly qualified employees and, in turn, will contribute to enhanced competitiveness and increased growth and employment in Europe);
- Agreement in the Council on the review of the accounting directives (the objective of this proposal is to reduce the administrative burdens, in particular on small enterprises, with respect to financial reporting, as well as to increase the comparability of financial statements in the EU);
- Agreement in the Council on alternative and online dispute resolution mechanisms (ADR/ODR). This proposal is designed to give consumers better access to effective and inexpensive ways to resolve their disputes with traders;

- Agreement in the Council on two proposals in the Airport Package (with regard to improving ground-handling services in EU airports for the benefit of both airline companies and passengers);
- Agreement in the Council on guidelines for the Trans-European Transport Network (TEN-T) (relating to the development of cross-border infrastructure, the alleviation of bottlenecks, better opportunities for multimodal transport, as well as interoperability with a view to create a single integrated well-connected European transport system).

The Danish Presidency reached also conclusions in Council on governance and the digital single market, and made progress in the negotiations of a number of free trade agreements, including the conclusion of a free trade agreement with Japan. Moreover, progress was achieved in the discussions with the USA on the possibilities of closer trade and investment links. Progress was also achieved in the negotiations with Canada and Singapore, some progress in the negotiations with India, and negotiations were initiated with Vietnam, Georgia, Moldova and Armenia. Similarly, agreement in principle was reached between the EU and China on commencing negotiations on a bilateral investment treaty. Lastly, the Council adopted the free trade agreement with Columbia and Peru as well as the association agreement with Central America.

4. A Green Europe: partial success?

It was apparent that the transition to a green economy was among the most important political priorities of the Danish Presidency. Denmark argued strongly that the green agenda is an integral part of solutions to the existing crises.

However, as many observers have noted, the climate and energy efficiency negotiations were arguably the most disappointing aspect for Denmark itself of its Presidency. Denmark has been a long-standing advocate of greener policies, and the Danish Presidency firmly articulated and reiterated that economic growth and environmental protection should go hand in hand.

The Danish EU Presidency was active and ambitious on this account and continuously stressed the importance of green growth and the lowering of carbon emissions, while simultaneously ensuring European economic recovery and growth.¹⁶ Another important factor in this regard is that green technology and innovation are traditionally important industries in Denmark.

¹⁶ R. Adler-Nissen, J. Hassing Nielsen, and C. Sørensen, *op.cit.*, p. 53.

It may be said that the Danish Presidency suffered a double setback in this regard. Much to its surprise and regret the conclusions on the low carbon economy road map were vetoed by Poland in March 2012. And in June 2012, it was again Poland that vetoed the conclusions on the 2050 Energy Road Map. Both documents had been originally considered as ‘flagship projects’ with Denmark’s own ambitious imprint on them. Their veto was a painful setback, which nevertheless was skilfully screened by an eventually successful agreement on the energy efficiency directive. At the end of the Danish Presidency, the Council and the European Parliament concluded negotiations on the energy efficiency directive, which was one of the Presidency’s highest priorities. This directive is supposed to increase energy efficiency by more than 17 per cent by 2020, and thereby will put the EU well on the way towards reaching the target of 20 per cent energy savings by 2020 with respect to projected energy consumption by that year, consequently leading to serious cutbacks on imported coal, oil and gas. Agreement was finally achieved after long and thorny negotiations, overcoming the repeated attempts on the part of some large member-states to water down the contents of the directive.

Despite the setbacks (especially that from March 2012, which apparently was totally unforeseen), the Presidency could praise itself for its persistence in advancing its ambitious green agenda and obtaining concrete results at the end.

5. A Safe Europe – modest results?

This area did not appear to be in the forefront of the Danish Presidency. It seems that only the enlargement issue was brought to the forefront as evidence of Danish engagement in the EU external dimension. This approach was evidenced by the accomplishment of granting candidate status to Serbia and opening negotiations with Montenegro, seen as a tangible contribution to stabilizing the Western Balkans.

The external relations agenda of the Danish Presidency was also positively marked by the conclusion of an agricultural and fishing trade agreement with Morocco. This agreement enhances Morocco’s access to the European market, and also signals the ‘advanced status’ of EU-Moroccan relations.¹⁷ Another quite remarkable result was the agreement between the Council and the European Parliament on the essential elements of an Asylum Package (amendments to the so-called ‘reception conditions directive’). The new rules are

¹⁷ See more: http://trade.ec.europa.eu/doclib/cfm/doclib_section.cfm?sec=133&langId=en and http://eeas.europa.eu/morocco/index_en.htm (last visited 19.12.2012).

meant to prevent the misuse of different reception systems in the Member States, to establish more uniform and high standards for the treatment of asylum seekers, and to regulate asylum seekers' access to the labour market.

As a traditionally highly regarded international donor country, Denmark put its imprint on developments in this field in the form of Council conclusions on a new European development policy and on the EU's future approach to budget support to third countries. The aim was to renew the EU's development policy in light of global challenges such as the economic crisis and climate change, while at the same time targeting and increasing the efficiency of the EU's development policy. The new policy aims to promote green growth, human rights, equal rights, transparency, and the inclusiveness of civil society. In the future the EU will consequently target its aid towards the poorest countries and establish new forms of strategic partnerships with middle income countries. In addition, a new approach to budget support was proposed, which will make the EU's budget support a more effective instrument, including in fragile states, with a stronger emphasis on human rights and democracy.

In the end however it must be said that the overall level of engagement of the Danish Presidency in the external dimension was low, and in principle left the leading role to the High Representative for Foreign Affairs and Security Policy and the EEAS, which sharply contrasted with the activist approach taken by the preceding Polish Presidency, especially with regard to the Eastern Partnership (EP) program. It was characteristic that no single high-level event under the EP was held in the first half of 2012, although there were some opportunities for at least one.

As admitted by many observers, the Danish Presidency had neither the ambition nor opportunity to make their mark on the European Union's foreign policy, and unlike the last Danish Presidency in 2002, the Danish Foreign Minister did not have a high profile. To the untrained eye it might have seemed almost as if foreign policy had faded away. The explanation for the low foreign policy engagement of the Danish Presidency partly lies in the new Presidency format after the adoption of the Lisbon Treaty. It seems that the Danes took the provisions of the Treaty more literally than was the case with their Polish predecessors. As rightly noted by one observer, there was a reason why the Danish Foreign Minister chose to observe winter holidays in the middle of an EU Presidency, which could not possibly had happened under the old Presidency format.¹⁸

It is rather obvious that it was a considered tactical choice reflecting the limited interest of the Danish Presidency in actively engaging in external

¹⁸ T. Flockhart, *The Presidency and a foreign policy that disappeared (in Danish)*, 'BerlingskeTidende', 21.02.2012.

affairs, including the EU neighbourhood policy. Also, the Danish Foreign Affairs Minister seemed to be less interested in providing active support and substituting High Representative Catherine Ashton in some events, etc.

6. Institutional cooperation – an efficient (?) mediator

With the introduction of the two new institutional forces – the High Representative for Foreign Affairs and Security Policy and the President of the European Council, as well as the increased powers of the European Parliament, the Lisbon Treaty envisioned a new role for the national Presidencies, which have to navigate and accommodate inter-institutional bargaining between the Council, the permanent President and High Representative, the European Parliament, and the Commission. As was observed earlier, the Danish Presidency took its role as inter-institutional mediator seriously, in particular when it came to involving the European Parliament. Danish ministers travelled extensively to hearings and consultations with the European Parliament, and the first months of the Presidency were filled with Brussels-based meetings and visits between the Danish Presidency and the different European Parliament committees. In practical terms, the Danish Presidency managed to finalise an inter-institutional agreement in mid-February 2012 between the Council and the European Parliament regarding the European Parliament's access to classified documents.

However, the excellent climate of cooperation between the Presidency and the European Parliament, underpinned by the excellent personal relationship between Prime Minister Helle Thorning-Schmidt and EP President Mr. Martin Schultz (both social-democratic oriented), was dampened by the incident relating to the agreement on the Schengen Evaluation Mechanism. This incident took place in the last weeks of the Danish Presidency and had a negative impact on Denmark's image, especially in terms of its role of an efficient mediator.

The incident, whereby the European Parliament unexpectedly boycotted the Danish Presidency in the legal field, gained a great deal of media attention. Paradoxically, it became one of the most highlighted stories about the Danish Presidency, despite the fact that the Danish Presidency made a virtue out of taking seriously the European Parliament's new role as co-legislator, and facilitated compromises between it and the Council. Thus Denmark perceived the criticism as in many ways unfair and undeserved. It also cannot be excluded that this criticism was in some way an echo of the infamous Danish affair on Schengen border control (2011), the impact of which could still be felt. Overall however, that setback and its after effects were skilfully minimised by the Presidency's communication services.

Concluding remarks

It is fair to say that the international media spoke in a moderate tone about concrete expectations from the Danish Presidency when it took over the baton, stressing its declared determination to bring unity to the European Union.¹⁹ Many appeared to be somewhat doubtful about that country's ability to lead the UE-27, being at the same time a EU-sceptical non-euro zone member state.²⁰ The Presidency commenced with a spectacular inauguration at a famous Danish Radio Concert Hall in Copenhagen (DR Koncerthuset) in the presence of 400 guests, and the Danish Prime Minister kicked off the Presidency by underscoring that, now more than ever, the EU needed to work together and to take difficult decisions. She stressed the need to work towards a responsible Europe, where economic rules of participation must be implemented effectively, so that confidence in the European economies could return.²¹

Danish commentators and the media were far from over-enthusiastic with respect to the actual role and impact of the Danish Presidency, especially shortly before or just after its launch. However, there was a perceptible tone of mild expectation that Denmark would be able in practice to be more than a diplomatic machine and to fill the role as a bridge builder, as a 'small, but smart state'. Hope was expressed that Denmark, despite its modest size and reputation for euro scepticism, may still be seen as a positive and constructive partner in the EU, with its successive governments having pursued a proactive EU policy based on a broad parliamentary base, supporting the strive towards ever closer EU cooperation. The question was repeatedly raised – how could Denmark continue this pro-activist line, especially at a time when the EU had been hit by the worst crisis in the history of European cooperation? Many stressed that the role of bridge builder was extremely important for Europe's unity and the key to a successful Danish Presidency. Furthermore, the Danes saw a role to play in challenging not only a debt crisis, but also a crisis of confidence in the European project. Accordingly, the anticipation on the part of the government was that Denmark, being 'a small but smart country', despite not being a part of the Eurozone would be more than ever able to play the role of a constructive Presidency, which could help restore confidence and enthusiasm with respect to European cooperation.²²

¹⁹ For an example, see: (last visited 21.12.2012).

²⁰ For an example, see: (last visited 21.12.2012).

²¹ See: (last visited 21.12.2012).

²² M. Buskjær Christensen, *A pro-active Danish EU Presidency or merely a diplomatic machine?* (in Danish), 'BerlingskeTidende', 06.01.2012.

Some analysts suggested that Denmark should have used the opportunity of its Presidency to water down its image as a country that goes too far in customizing its EU membership (akin to Britain nowadays), recalling the recent (2011) intention of the previous Danish government to reinstate custom controls at its borders as a way to combat organised crime. Whether or not this was in breach of EU legislation concerning the free movement of persons, the measure instantly turned Denmark into an object of an international outcry, no different from Britain today.²³

In the course of the Presidency some issues were raised by commentators. For example, the Presidency was criticised for not interfering enough in the debate on the German austerity versus the French growth agendas, for lack of ambition in migration policy²⁴ and for its low profile in the foreign policy dossier,²⁵ etc. Also the virtual silence of the Danish Presidency as regards Hungary's breach of fundamental values of EU cooperation did not go unnoticed.²⁶ However, it is fair to say that the media coverage of the Danish Presidency, seen against the non-intensive communication policy of its public relations services (limited to a large extent to its smart website), did not raise any controversial issues or setbacks.

This comparatively neutral line in informing the public on the Danish Presidency was broken only once, by the argument with the European Parliament on the Schengen Evaluation Mechanism in the final phase of the Presidency. Yet it should be noted at the same time that any significant, negative impact on the Presidency in this connection was skilfully minimised by the Presidency's PR service, which repeatedly and resolutely shifted the responsibility for the crisis on the Council as such and the common decision of Member States with regard to the SEM.

When it comes to the more fundamental debate about the future of the European integration project, and the shape of enhanced cooperation necessary to secure the EU against future crises, the Danish input is deemed to be smaller. This was so despite the distinct pro-European line of the Danish Prime Minister, which was emphasised in her speech to the European Parliament, where she pleaded 'European of the heart'. In truth the Danish input to this debate was not very significant. As some observers noted, Foreign Minister Villy Søvndal's absence at the informal meeting organised by German Foreign Minister Guido Westerwelle on the future of Europe was a signal in

²³ F. Tassinari, *Denmark, the imperfect Europhile*, at: <http://www.opendemocracy.net/fabrizio-tassinari/denmark-imperfect-europhile> (last visited 09.12.2012).

²⁴ K. Borg Albertsen, *Where are Denmark's migration policy ambitions? (in Danish)*, 'BerlingskeTidende', 12.05.2012.

²⁵ T. Flockhart, op.cit.

²⁶ M. Buskjær Christensen, op. cit.

the wrong direction, although later he did choose to participate in subsequent meetings. His lackadaisical engagement was in contrast to outstanding activity of Radosław Sikorski, the Polish Minister of Foreign Affairs during the Polish Presidency, when he delivered his unique political speech in Berlin.

A question may be rightly raised: how well (or badly) did the Danish Presidency perform against the background of its partners in the Trio – Poland and Cyprus? There is no doubt that Denmark was the most experienced party in the Trio, nevertheless it is difficult to find evidence that it played the role of group leader. This was apparently not an aspiration on the part of Denmark, which hoped instead to harmonise the agenda during the whole 18 month period as much as possible, without actively seeking the most ambitious dossiers. The Danish Presidency sent out signals well before it started that, for example, the Multilateral Financial Framework was not likely to be eventually drafted (including figures) by the end of its term of office. This turned out to be true when that dossier was handed over to the Cypriot Presidency, in mid-2012, in the form of a well-formatted proposal but without actual figures, thus postponing the difficult discussions on the real contents of MFF to its successors and the President of the Council.

Moreover, it appears that the Danish Presidency desired to be remembered for its so-to-speak ‘innovative approach’ to the role of a rotating Presidency in terms of its sustainable brand and cost-efficiency, and possibly also a smart mediator rather than a promoter of an ambitious (nationally-driven) agenda. Denmark understood well that such a role would be fairly well received and in a way complemented the ambitiously motivated and highly visible previous Polish Presidency, and the uncertain (for a variety of reasons relating to its results and overall performance) subsequent Cypriot Presidency.

Nevertheless, despite the lack of Danish input into the overarching EU political vision, it should be admitted that Denmark pursued a pragmatic line, created significant results in some selected areas, eventually put a green mark on several key areas, and acted as honest broker in the unfavourable circumstances brought about by the economic and financial crisis. In doing this, Denmark initiated a new model of a post-Lisbon rotating Presidency which could be attractive to potential followers, especially those representing smaller Member States with rather limited European-oriented ambitions. In the end, the seventh Danish Presidency in the EU Council proved that small might really be smart, by being in part a smooth diplomatic machine, an honest broker, a bridge over troubled waters, and a green, sustainable, cost-effective institution in times of crisis.