# How to Achieve National Goals in the European Union? Small State Strategy in Internal Security Integration

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**Abstract:** The Treaty of Lisbon brought about principal changes in the decision-making process of the European Union by forcing to abjure the intergovernmental approach and increasing the competencies of supranational institutions. Every member state in the EU has its national goals and preferences. Due to limited resources, the small Member States need to develop their strategies in certain ways for successful navigation between the institutions and regulatory frames, domestic factors and interests of other actors. The paper discusses on the bases of explanatory case studies that small states' efficiency in the process of EU internal security integration is mainly influenced by (i) coherent domestic political consensus, (ii) clear setting of strategic priorities and their multi-level use, (iii) professionalism and expertise of civil servants involved, (iv) appropriate timing and flexible negotiation skills to represent its interests.

**Keywords**: European Union, internal security, small state, decentralised agencies, governance

#### Introduction

The safety of contemporary society largely relies on the security cooperation functioning of ICT-solutions. Taking the Schengen area, the main information system (SIS), the visa information system (VIS) and the fingerprint database for asylum seekers (Eurodac) have been developed as necessary tools for European Union's (EU) level Justice and Home Affairs (JHA) cooperation in the Area of Freedom, Security and Justice (AFSJ). The compensatory measures and cooperation tools are developed, managed and implemented by cross-border JHA agencies.

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The establishment of the EU internal security and law enforcement agencies, especially decentralised agencies<sup>2</sup> is not a linear process framed by unified standards. Since the agencies have been founded in different EU Member States (MS) in order to make the 'perception of the Union better' (European Commission, 2008), these agencies have become so-called subjects of political bargains. Thus, reaching the agreement to establish an agency in a certain MS means various negotiations and agreements to realize national interests. This kind of navigation process between EU institutions and different regulations also have a significant impact on the relationships between the actors involved.

The case used in this research – the establishment of the eu–Lisa agency (hereinafter the agency) in Tallinn, Estonia – included disputes on different levels and between various stakeholders in order to decide upon the Headquarters' country of location. In parallel, the disputes were conducted in the framework of preceding of the post-Lisbon legal basis, which brought about principal changes in the decision-making processes of the EU by forcing to abjure the intergovernmental approach and increasing the competencies of supranational institutions. Moreover, Estonia, a new and small Member State, as one of the candidate countries for the location, had to be capable of protecting its interests in the intergovernmental negotiations and negotiating with respect the logic and peculiarities of complex EU decision-making process.<sup>3</sup>

The paper is methodologically based on an explanatory study, aiming to get a detailed and deep understanding of a particular case (George and Bennett, 2005; Gerring 2005; Baxter and Jack, 2008; Dul and Hak, 2008; Flyvberg, 2011; Jaani-Vihalem and Loik, 2013). The empirical data was collected through expert interviews from Estonia and the EU institutions involved in the agency's establishment processes. In order to get information as versatile as possible, the experts were chosen according to a pattern in which all characteristic roles would be present, e.g. initiators, facilitators, decision makers and accomplices. In addition, relevant EU legal acts, studies analysing judicial and home affairs and regulations as basis for EU decision-making process were taken into consideration.

# **Context of Strategy Building**

Domestic Context

Until the enforcement of the Treaty of Lisbon (TFEU), the setting of strategic and main competencies in EU JHA/AFSJ was mainly an intergovernmental matter (see European Supreme Council, 1999; Carrera and Guild, 2012: 2; Council of the European Union, 2004; Council of the European Union, 2009b). Composing the Stockholm Programme,

<sup>&</sup>lt;sup>2</sup> Decentralised agencies are independent legal entities operating according to the public law of the EU and mainly fulfil some specific technical, scientific, operational and/or regulative tasks.

<sup>&</sup>lt;sup>3</sup> Although there have been several researches carried out about the EU, which focus on defining the success or the extent of impact of small countries in cooperation (see, among others Beinaroviča, 2012; Golub, 2013; Lehtonen, 2009), but the focus has rarely been set on explaining the specialities of EU JHA.

and especially its operational part, was influenced by the soon to be enforced TFEU and the significant increased importance of supranational institutions. Since joining the EU in May 2004, the Republic of Estonia's government has stated principles and aims to rely on when considering the relationship activities with the EU. The outcome strategy document 'Estonia's European Union Policies' (EUPOL)<sup>4</sup> noted the most important political goals the government relies on dealing with the EU matters.

One of the most important aims of the first EUPOL was making the citizens more familiar with the EU issues and ensuring the citizens' safety and security (Government Office, 2004). The second EUPOL focused on improving the judicial and home affairs coordination by stimulating cross-border activities and cooperating with third countries (Government Office 2007: 31-36). It is important to note that widening the Schengen area of justice and commencing the use of SIS II and VIS were considered as priorities. Estonia's support of the establishment of an agency for ICT innovations, development and governance of EU JHA, and wish to put forward its candidacy as the country of location was highlighted (see Government Office 2009a, 2009b, 2010a, 2011a, 2011b, 2013). The question of location was principal to Estonia as an option to 'get closer' to Europe and ensuring its place in the EU. In addition, Estonia perceived a further perspective when applying to be the country of location; bringing the agency to Estonia would approve the business environment and international education development (Pomerants, 2013). In parallel, the importance of advancing Schengen cooperation, ensuring successful migration management and the need for the privacy protection were also prioritised.

When proceeding the EU legislation and related matters, the central role in Estonia was given to the governmental coordination body COB (Government Office, 2005: 27), which consisted of representatives from the Central Bank and all ministries. The COB was de jure managed by the Secretary of State (Riigi Teataja, 2005), but de facto by the Director of the Government's Office EU Secretariat. When establishing the agency both formal and informal decision-making processes were important. When shaping Estonia's positions on the legal basis of the agency national decision-making process had to be followed. At the same time, the discussions about Estonia being a possible location for the agency started long before the design of its legal basis (Lepassaar, 2013; Lilleväli, 2013; Pihl, 2013; Pöllu, 2013). In spite of the proceedings' framework having been fixed, it cannot be said that shaping the positions had always run smoothly. The governmental positions were introduced and discussed at the COB meetings, approved by the Government and confirmed by the Parliamentary EU Affairs Committee, but the main bottlenecks appeared to be limited resources of time and civil servants.

#### Issue Context

Initial ideas about the necessity of establishing the agency reach back to 2001 when the European Parliament drew the council's attention to the challenges of the Schengen

<sup>&</sup>lt;sup>4</sup> Ths first similar was made for period 2004–2006, which was followed by documents covering longer periods, namely 2007–2011 and 2011–2015. European Union Secretariat (EUS), ministries and non-state organisations have contributed into composing the EUPOL document (Government Office 2011a).

information system (SIS) and suggested the creation of a special body that would be financed by the EU (European Parliament, 2001). A few years later, the Parliament made a similar suggestion (European Parliament, 2003). Both suggestions were then left unnoticed by the Member States who had authorised France to provide technical support for the establishment of the SIS and VIS (Official Journal of the European Union, 2000 and 2008). For this reason, the data management centre was established to Strasbourg, and servers were decided to be placed in Sankt Johann im Pongau, Austria.

The infrastructure of the SIS did not enable adding new users in 2001. This was one of the reasons why the Council assigned the Commission to develop a new version of the system (Official Journal of the European Union 2001, Article 2). The Commission's work was initially effortless and Member States' expenses on the development of the central system were growing. At the same time, the Commission tried to start VIS system, but the development was also not without obstacles (Lilleväli, 2013). The relations between the Commission and France had become intensive during this period of developments (Coelho, 2013). The situation was also complicated by the fact that developments of the system were innovated simultaneously with the elaboration of corresponding regulations.

A few years later, the dissatisfaction was such that the Council and the European Parliament decided to make a joint declaration in order to implement a SIS II and VIS (see Official Journal of the European Union, 2006, 2007, 2008a and 2008b). In this declaration, the Commission was asked to evaluate the influence of the detached agency to be established that would administrate the information systems and present proposals for corresponding legislative acts. According to the declaration, the agency had to commence its work at least five years after the adoption of the legal basis of the SIS II and VIS (European Commission, 2009c). Hence, the implementation of the joint measures was mainly the functional will of the Member States, which thus proved the domination of the inter-governmental approach at that time.

After the evaluation in June 2009, the Commission presented its suggestions for the legal basis of the agency (Commission of the European Union, 2009a and 2009b). Discussions about the legal basis began at the expert group level, dealing with the Schengen issues in September 2009. The following negotiations with the European Parliament lasted for almost two years. Estonia shaped its positions on the governmental level in July 2009 (Document Registry of the Government Office, 2009a). The Parliament approved those a few months later, in September 2009 (European Union Affairs Committee of the Riigikogu, 2011). The regulation of the agency was passed by the Council in September 2011 (Official Journal of the European Union, 2011), and the negotiations continued within the new legal framework.

## Strategy Options for a Small EU Country

Attributes of a Small Country

One may agree that it is quite unrealistic for a small country to be equally involved in discussions concerning all spheres of politics, which is why a reasonable choice of topics (the most important for the country) has to be selected and only the spheres of consolidated

priority have to be mainly focused on. Increasing professionalism and ensuring continuity in every branch of politics are goals to move towards if a country wants to influence the decisions taken in the EU (Randma-Liiv, 2004: 110). The negotiations to find a location for the agency were carried out in a difficult bargaining situation. Estonia as a small EU country started to introduce its candidacy during the very early stage and tried to map the interests of other Member States as quickly as possible (Lepassaar 2013; Põllu, 2013). Since there was no doubt about France's capability to realise its interests, these efforts in turn gave better levers for the capability to bargain. The situation was even more sharpened by the lack of clear procedures regarding the making of an agreement on the agency's location.

Another important aspect to be considered is the financial capability to implement its goals. Diana Panke (2012) stresses that success in international negotiations often depends on the finances of the countries involved. Resources are also needed in order to have enough officials to proceed with the national interests. At the same time, a country also needs diplomats and experts at the negotiation. Hence, it is more difficult for smaller delegations to get a thorough overview of the interests of others, which in turn makes it more difficult to find suitable compromises. It does not necessarily mean that small countries cannot be successful in the process of negotiation if they set the consolidated priorities and carefully plan their resources (Panke, 2012: 316-317). Thus, a successful coordination system on a national level supports to achieve better results within the EU's decision-making process.

In order to influence the course of negotiations, small countries generally have the same arsenal of strategies to use that major countries have. According to Panke (2012, 319–22), those strategies involve causal, moral and legal convincing, (re-)framing, coalition-building, bargaining and value-claiming. The first three can be categorised as convincing strategies and the last three as bargaining strategies. Re-framing can be in either category. The causal convincing could lead to success if a small country has prioritised its interests and has thoroughly dealt with the interests of the sphere. Moral convincing is often effective if the arguments used in order to defend its interests emphasise its size (smallness) and thus express the likelihood of impartiality in the matter concerned. Legal convincing is used from the positions of excellent legal analyses.

## Inter-governmental Puzzle

Taking the liberal inter-governmental approach as a theoretical basis springs from an assumption that the main establishers of politics are rational countries (Moravcik and Schimmelfennig, 2009: 68) and as EU security integration is mainly explained through the realisation of MS' security interests, one should recognize that governments strive to achieve their goals by negotiations and by using bargaining strategies. The EU here is rather composing a suitable framework for the Member States to coordinate their policies, and the MS are using the EU framework to realise their national interests. When choosing a suitable way of behaving, each Member State tries to find the most profitable solution at the time. Critics claim (Moravcsik and Schimmelfennig, 2009: 73; see also Bache and George, 2006) that the inter-governmental approach is focusing only on the broad changes

in which Member States have greater competence and thus the theory is insufficient to explain the every-day routines of the EU decision-making processes.

From the inter-governmental perspective, we should evaluate the decision making process through three principal levels, two of which have been derived from Putnam's (1988) two-level game theory – (1) shaping national interest(s); (2) international bargaining, and (3) protecting preferences inter-governmentally. In the international bargaining situation, countries normally strive to find the best compromise that would satisfy the parties. The capacity to bargain is in turn connected to the countries' levels of dependence on the result of the negotiation, and with how well they have been informed of the preferences of other countries. The countries not really connected with the result of the negotiation may not express readiness to cooperate and thus force the others to make some significant admissions.

At the same time, those who have been successful in finding out the preferences of the competitors can manipulate in order to protect their own interests. In case of the agency establishment, it was attempted to find common ground for the necessity. As experts described, people had to work hard until the final moment to convince Germany that the best solution is to establish such an agency and Germany should support it (Lilleväli, 2013). Still the Member States did not do that in solitude, the assistance of the institutions was significant, too (Tudorache, 2013). The latter could be explained by the fact that sometimes the cost of the negotiation may be un-proportionally high (Moravcsik and Schimmelfennig, 2009: 71) in terms of the time, human or financial resources related to desired result, etc. Federalists and neo-functionalists thus propose a solution, which would mean involving intermediate actors such as the European Commission which should guide the governments more optimally in reaching 'balanced' solutions.

On the other hand, the liberal inter-governmental view claims that the best regulators for the costs are the Member States themselves, because the existing information is available to the states and institutions, and thus upon making the decision the same grounds are relied on. Taking the establishment of the agency and the negotiation over its location as an example, the latter is valid. Estonia and France as negotiating counterparts were equally informed of the interests of other MS and about the readiness to support either one or the other candidate. Taking part in the negotiation process was not 'cheap' for either of the parties; it demanded finances, human resources and time, which probably neither of the sides would have been ready to delegate to a third party.

## **Strategy Implementation**

The Main Actors

It was in 2007 when the establishment of the agency was initially discussed in Estonia (Lepassaar, 2013; Lilleväli and Põllu, 2009; Põllu, 2013). Having heard about the idea at an EU level meeting in Warsaw (2007), the Estonian minister of interior at the time asked diplomats of the ministry to find out more about the establishment of the agency and to analyse some options to present country's candidacy (Pihl, 2013). The outcomes indicated that Estonia's outlooks on becoming a candidate for the location is worth for advanced

working on the idea (Märtin, Adson, Jaani, Põllu, 2007; Põllu, 2013). Several initial consultations with the cabinet members were followed by a detailed discussion amongst officials. In addition to civil servants of Mol, representatives from the EU Secretariat of the Government Office and from MFA were involved (Põllu, 2013). The concept about the interests of Estonia and its implementation plan was finished by the summer 2008. The Cabinet ministers' approval was followed in consensus.

The candidacy conception was based on three main arguments – (i) There were no EU agencies in Estonia, (ii) Estonia's candidacy is supported by the country's positive IT-image, and (iii) according to the Council's decision made in 2003 (Council of the European Union, 2004) new EU agencies would be established in new Member States (Lilleväli, 2013; Põllu, 2013). The principles of the offer were described in detail (see Memorandum of the Government, 2008a); the expenses on realisation were evaluated, and in addition, a tangible value of the agency to the country was assessed. Putting up its candidacy was also in accordance with the Government's principle of proactivity in EU-related policies (Lepassaar, 2013). In addition, at that time Estonia did not have any goals as big or as worth striving for (Kotli, 2013), and the economic situation was generally approving. It is probable that a few years later Estonia would not have dared to think about such a competitive offer (Lepassaar, 2013) due to following period of economic recession.

From Estonia's perspective the decision adopted by the Council in 2003 (Lilleväli, 2013), positive IT-image (Põllu, 2013) and the adoption of qualified majority vote (Tudorache, 2013) should be highlighted as enabling aspects.<sup>5</sup> The main obstacles could have been Germany's hesitation about the necessity of the agency (Lilleväli, 2013; Põllu, 2013; Tudorache, 2013), the dilatory strategy of France at the negotiations on the location (Lilleväli, 2013; Pomerants, 2013; Põllu, 2013) and the co-decision procedure with the European Parliament. The mutual interests of MS had already been expressed in the joint declaration of the European Parliament and the Council and were added to the legal bases needed for the implementation of SIS II and VIS (Tudorache, 2013). By establishing the agency, the Member States expected to find a solution to their problems and thus general support from the Council become realistic.

In spite of the generally positive attitude about the necessity of the establishment of the agency, it took a lot of effort to convince Germany (Tudorache, 2013). The existent 'encumbrance' that had appeared at the establishment process of SIS and VIS tended to be adapted to the agency, too (Lilleväli, 2013; Tudorache, 2013), and it was the Commission's role to disprove those hesitations. For a certain time the process was held back by the France's dilatory strategy (Pomerants, 2013), which aim was to avoid looking for a compromise when considering the location. Being aware of the Council's decision from 2003, France took a position according to which establishing the agency did not mean founding a new one but customising an existing practice (Lilleväli, 2013; Põllu,

<sup>&</sup>lt;sup>5</sup> Adapting qualified majority voting (QMV) at the Council was useful because of forming coalitions had become easier. Establishing the agency was also encouraged by the compromise between Estonia and France. The compromise seemed to be a balanced solution for the subjects of the process, for the Presidency, and for the other MS who finally did not have to 'take sides'.

2013; Council of the European Union, 2009a). As a result, France did not find it necessary for a long time to have consultations with Estonia, which prolonged the process.

As the general attitude among the Member States tended to be in favour of establishing a new agency for the ICT innovations, the process still became significantly more difficult by the co-decision process with the European Parliament after the enforcement of the TFEU. In spite of the Parliament's support for establishing the agency, its vision and expectations were different from those of the Council. Further disputes followed over defining the legal basis of the location and defining the countries allowed to be involved in the work of the agency (Coelho, 2013). These discussions also prolonged the process and finally forced the Council's decision.

# **Tactics of Negotiations**

When discussing the matters of the agency it was useful for the government to rely on the policy document defining country's EU policies (EUPOL 2007–11) and on the principles that coincided with Estonia's readiness to take on a more proactive role (Lepassaar, 2013). In a later phase, striving to become the location of the agency started to be a separate goal in the EUPOL and a priority when considering country's EU policy (Government Office, 2009a, 2009b, 2010a, 2010b). The matter of the agency had developed an important national goal and information about it was spread in different formats even though there was no formal obligation to do so. Nevertheless, partly depending on the experience gained from the agency the functions of the COB have been amended to some extent (Lepassaar, 2013). Among other things, a separate format for discussing and making decisions about important matters of the EU has been created – the so-called COB2, which consists of deputy secretary-generals of the ministries.

Estonia validated all its interests and options related to the agency by using a formal national decision-making process (Memorandum of the Government, 2008a and 2008b; Document Registry of the Government Office, 2009a, 2009b, 2010). The candidacy was not taken seriously in the beginning. This not because of Estonia's low efficiency but because of a rival who was too strong and 'beating the rival' was considered to be impossible by many (Kotli, 2013; Tudorache, 2013). Hence, Estonia started to look for coalition partners from amongst its neighbours and then widened the circle first among the so-called new Member States and then to the rest (Lepassaar, 2013; Lilleväli, 2013). When introducing its proposal for the candidacy a special international 'sales strategy' (The Ministry of Foreign Affairs, 2008) was relied upon. According to the strategy, the approach had to be broad-based, but it was adjusted when necessary (Lepassaar, 2013; Pomerants, 2013). Diplomatic representations in the EU MS (Kotli, 2013), members of the cabinet (Lilleväli, 2013, Põllu, 2013) and officials of the ministries of the interior and of the foreign affairs were involved (Lepassaar, 2013; Lilleväli, 2013; Põllu, 2013).

The quickly popularised nickname for the agency "IT Agency" was successfully linked with Estonia's positive IT-image, which was later, when putting up the candidacy, successfully used (Kuningas-Saagpakk, 2013; Lepassaar, 2013). In order to make this image strong and to compose Estonia's offer, additional consultations with Estonian experts of

the IT-sector were carried out (Pihl, 2013; Põllu, 2013). Thus, the wider audiences were involved and country was committed in cross-sectoral bases. It also appears that the country's positive IT-image brought success throughout the process (Lepassaar, 2013; Lilleväli, 2013; Põllu, 2013). This tendency was even more contributive when Estonia was introducing its candidacy and negotiating on the legal basis where country was more like an expert of IT domain.

The continuous 'lobbying' Estonia used with many opportunities, including causal convincing relying on the country's positive IT-image and emphasising the need to establish the agency as a centre of excellence, reflected the interests of all Member States (Lilleväli, 2013), and was thus successful. Due to these aspects, Estonia started to become more influential already before representing the legal basis. By making contacts with the representatives of the EU institutions and of the other MS, Estonia started introducing its vision of the role and functions of the agency and later expressed readiness to put up its candidacy for location (Lilleväli, 2013; Põllu, 2013).

In order to convince France about the credibility of the Estonia's candidacy, several meetings were organised (e.g. Ministry of the Interior, press release no 231, 2009), and media support was to be brought in, which later became irrelevant (Kuningas-Saagpakk, 2013; Põllu, 2013). Disputes over different solutions France offered as alternatives followed (Kuningas-Saagpakk, 2013; Põllu, 2013). Estonia's fortitude and willingness to settle on only one condition – headquarters in Tallinn, servers in Strasbourg – came as a big surprise for France (Kuningas-Saagpakk, 2013; Lepassaar, 2013). Meetings took place in most of the capitals of the member states of the EU (Kotli, 2013). Support for Estonia increased quickly, although the competition with France was generally seen as hopeless (Kotli, 2013). The strategy used was adjusted, for example, when the proximity of Russia as a great security risk appeared in the arguments of France (Kuningas-Saagpakk, 2013; Pihl, 2013; Põllu, 2013). The issue was discussed when possible at the EU Affairs committee of the Parliament (Aarma, 2013).

Still Estonia did not succeed in bringing the whole agency to Estonia (Lilleväli, 2013; Põllu, 2013). It was partly caused by some MS changing their orientation, which caused some agreements lose their validity at a certain time (Lilleväli, 2013). Looking for the compromise with France was inevitable (Lepassaar, 2013; Euobserver (2010). In the course of the negotiation with France, Estonia exploited the decision made by the Council in 2003 and thus expressed its legitimate expectation as a new MS state to set up its candidacy for the location (Lepassaar, 2013; Lilleväli, 2013; Põllu, 2013).

Transferring the whole agency to Strasbourg would have been opposed by many countries, including European Commission and European Parliament (Tudorache, 2013), because in this case the change brought about to the situation would have been of a questionable extent. Bringing the whole agency to Tallinn would probably have driven a wedge between Estonia and France and probably between Estonia and Austria, because the latter was also interested in maintaining the same situation, which meant back-up servers being in Austria, in Sankt Johann im Pongaus (Põllu, 2013). At the same time it would have meant additional financial load on Estonian government (Põllu, 2013), which would have been very complicated to publicly explain during the financial crisis.

Usually countries have several positions in international negotiations, for example positions to withdraw. Estonia did not have anything like that because making compromises was the last opportunity to reach the goal. It could be claimed that Estonia did not take the position of a neutral dealer, as Panke (2012) had suggested for small countries. Instead it can be said that Estonia proved its capability of being an equal partner, whose interests had to be considered by major Member States, too. Value was claimed by both parties as France was interested in assuring its position and employment in Strasbourg (Coelho, 2013), Estonia wanted to come closer to Europe and improve its international environment (Pomerants, 2013). As a result, France made a point of its prior experience and practice in maintaining SIS II and VIS. The compromise the countries made (see Estonian Ministry of the Interior, Press Release No 97, 2010; Presidency, 2010) was probably as equitable as it could have been in particular case.

#### **Conclusions**

It is quite common to assume that the options for a small country and new Member State to stand for its interests in international arena are quite limited or moderate compared to major ones. The current explanatory case study reflected a sign of certain patterns of behaviour being profitable for a small country to achieve its strategic goals in the EU's security governance system. The case demonstrated that inter-governmental logic dominated during the process but supranational institutions such as the European Parliament were also important actors as mediators and context providers for the final decision. Negotiations over the agency's location and the adoption of the legal basis were all to take place after the TFEU had come into force.

Until the Lisbon amendments, the whole process could be described as intergovernmental. According to liberal inter-governmental approach it could be concluded that the Member States perceived the new decision making process as a tool to reach their common goals at lower costs. The enforcement of the TFEU changed the balance of powers within the decision-making process. Previous attempts of the European Parliament to get support for establishing a separate agency had no results because the majority of the Member States had not seen it necessary enough. After the direct expenses had become un-proportionally high and obstacles to extend the Schengen area had appeared, the Member States were finally ready to agree about further joint measures.

The pre-TFEU decision-making process had also intended to discuss the legal basis of the agency with the European Parliament, but according to Lisbon amendments had to be proceeded considering the whole package, including the issue of agency's location. The TFEU limited the power of single Member States and proposed some advantages to the European Parliament. Thus, the establishment of the agency was literally dependent on the approval of the Parliament, and the Council was finally pressed to accept the Parliament's amendments. For approval, the compromise between Estonia and France had to attend interpellation sessions and convince the Parliament about the positive impact of the decentralised location. Estonia also had to explain and reason the cost-effectiveness of establishing the agency's Headquarters in its capital.

The disputes over the location on the Council's level followed the logic of the inter-governmental approach, as expected. Germany's initial opposition regarding the establishment of new agencies significantly hampered the negotiations on a legal basis. Estonia, France and Austria had nationally shaped their interests considering the location of the agency and started to realise their goals in the cooperation framework of the EU, using cross-national negotiations and coalition building; getting support from other Member States became vital. Domestically, the whole process could be characterised as broad-based involvement from Estonia's perspective. Officials cooperated with different offices and institutions as well as with the private sector. In order to get support for its position a thorough 'tour of capitals' was carried out and on their foreign visits the Prime Minister and the President of the Republic of Estonia included the issue into their agendas.

The main arguments pro Estonia's candidacy had been chosen carefully and were difficult to contradict: Estonia wished to put up its candidacy because it has no EU agencies by that time. The candidacy was in accordance with the decision made by the Council in 2003, and using its positive IT-image Estonia wished to contribute good conditions for the agency. The content of Estonia's offer and at least the first two arguments finally turned out to point in its favour when disputing over the final decision.

Negotiations on the location appeared to become quite classical example of bargaining. At first, the interested parts tried to form coalitions and used their power to direct forthcoming negotiations in most suitable way. In the bargaining situation, both parties tried to convince their counterpart about the advantages of their own offer. Willingness for compromises could bring success. Although Estonia had grown its support group significantly, it decided to go for a compromise. Finding a compromise with France presented Estonia as a Member State who is ready to make concessions in order to achieve a mutual goal. Hence, one may conclude that success could be granted if a small country does not focus only on its self-interest, but makes extra efforts to find a common ground. Thus, bargaining as a tactic serves the interests of small countries if they want to express themselves as rather neutral dealers.

One may also learn that when defending its interest, the first call normally has some advantage to realise its will. Appropriate timing may be more important than usually considered to be. A national political consolidation about the strategic goals and concentration of resources for implementation is an especially important feature in achieving the interest. For a small country, it is challenging to deal with several priorities at the same time, especially if it requires great expenses. The case study demonstrated that a coherent domestic political consensus, clear setting of strategic priorities and their coordinated multi-level use, *Europeanized* professional expertise of civil servants, appropriate timing and flexible negotiation skills to represent its interests with openness to find a compromise can bring success for a small and new Member State within the security governance system of the EU.

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