

'Walking the extra mile': how governance networks attract international organizations to Geneva, The Hague, Vienna, and Copenhagen (1995-2015)

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"For us it is important that the national authorities understand how important the presence of these IOs is, and that we have to walk the extra mile" (Quote from an officer at the Danish Ministry of Foreign Affairs, 2018, Interview D1.2)

# 7 COPENHAGEN

### 7.1 DENMARK AND COPENHAGEN

Copenhagen is the economic, cultural, and governmental center of Denmark. With the Copenhagen Stock Exchange, the city also embodies one of the major financial centers of Northern Europe. Copenhagen is not traditionally a 'global' or 'political' city. It is only since 2005 that the city of Copenhagen has managed to present itself as the Sixth UN city. In 2005, the United Nations Office for Project Services (UNOPS) started to move its headquarter functions from New York to Copenhagen. This was Denmark's first UN Headquarters, which officially opened in Copenhagen in 2006.

Nevertheless, the global political participation of the nation and city was already visible in 1949 when Denmark became a founding member of NATO. Denmark was also a founding member of European Free Trade Association (EFTA). Regarding its global aspirations, the first UN agency opened in Copenhagen in 1959 – the World Health Organization (WHO). Shortly afterwards, the Government of Denmark offered free office and warehouse space to UNICEF in Copenhagen to accommodate its global supply operations.

The competitive position of the Copenhagen metropolitan region is vital to Denmark, as it contributes nearly half the country's GDP (OECD, 2009). With a population of 2.4 million, the region houses 44% of the Danish population. One corporation was especially important for the growth of international Copenhagen: *By & Havn* (City & Port). The CPH City & Port Development Corporation, run by the national government, private companies, and the city since 2007, started driving the development of the Danish capital (Katz & Noring, 2017). Due to this collaboration, financial injections from several ministries and local incubators, the city started to grow rapidly from the 2010s onwards (Martinez-Fernandez, Sharpe, Andersen, Genoff, & Rovsing Kristiansen, 2013).

The Copenhagen Accord in 2009 (COP 15) put Denmark in a disadvantageous position as a host country. The Climate Summit was a failure, because the Accord between the US and the BASIC countries (Brazil, South Africa, India, and China) was not legally

binding and did not commit the countries to agree to a conclusive successor to the Kyoto Protocol (UNFCCC Conference of the Parties, 2009). According to different media, one of the reasons was the host government (Black, 2009). "The government of Lars Løkke Rasmussen", wrote an environment correspondent, "put forward a draft political declaration to a select group of "important countries" thereby annoying every country not on the list, including most of the ones that feel seriously threatened by climate impacts" (Black, 2009, p. 4). Lars Løkke Rasmussen, a center right liberal, had been in office since April 2009.<sup>37</sup> The departure of the chief negotiator Becker coincided with the growing worries about whether governments would reach a deal after talks in Bangkok made little progress (Meilstrup, 2010; Reuters, 2009).

## Copenhagen as host city

A year after the failed Copenhagen Accord, the New UN City was built in the harbor of Copenhagen: a building housing many UN agencies and other IOs, for free. UN City, the building with around 1,500 UN staffers and initiated by the Prime Minister's Office and the Ministry of Foreign Affairs, was built along the harbor in the north of Copenhagen. The building was inaugurated in April 2013 and its residents took office in 2014. The building is unique as it consumes at least 55 percent less energy than a similar-sized office building by way of wind energy, seawater, and solar power. The building is a 'state of the art' landmark for Denmark. One of the ideological architects of the building was Carsten Staur. From 2007 to 2013, he served as Permanent Representative to the UN in New York (and, since 2013, in Geneva).

Staur initiated a campaign to brand Copenhagen as 'capital for administrative and procurement departments of the UN'. Copenhagen has been moving towards becoming *the* administrative center of the UN, especially in terms of procurement. Two other global focal points of Copenhagen were the 'smart city strategy' and its ambition to become the first carbon-neutral capital by 2025. Furthermore, in 2013, the City Council set up an administrative board for smart city initiatives. Its focus is on working with open data and the establishment of a digital infrastructure in the city.

### 7.1.1 Case 1: United Nations Office for Project Services

The United Nations Office for Project Services (UNOPS) was established in 1973 as part of UN Development Program (UNDP) and started self-financing and independently in 1995. UNOPS is an arm of the UN that implements projects for the UN System,

<sup>37</sup> His party Venstre is the major party of the center right in Denmark and the second largest party in the country. Nowadays, the Social Democrats run the country (2019-2023).

governments, financial institutions, and other partners. As a member of the UN Development Group, it works closely with the Department of Peacekeeping Operations, the UNDP, and The World Bank.

UNOPS provides project management, procurement and infrastructure services to governments, donors, and UN organizations, such as the UNICEF and the UK Department for International Development (DFID). UNOPS builds the infrastructure needed for development, such as hospitals, schools and roads in post conflict or disaster areas, as well as in economies in transition. The IO concentrates its efforts in three areas where it has a clear mandate and expertise: procurement, infrastructure, and project management. The personnel of UNOPS are spread over 80 countries.

UNOPS is considered an odd case in the multilateral environment due to its private sector and business-oriented methods and self-financing setup. Its project-based nature and the fact that it keeps a mobile workforce on mostly short-term procurement contracts earned it nicknames such as "the Uber of the United Nations" and "the Multilateral McKinsey" (Nillson, 2015, p. 2). UNOPS supports its partners with the design, restoration and construction of roads, schools, health clinics, schools, and more (UN Executive Board, 2017). For each supported project the organization charges a small fee.

**Table 7.1** Course of events: Moving the UNOPS Headquarters

1994	UN General Assembly establishes UNOPS as a separate and identifiable entity
1997	Government of Denmark concludes an Interim Agreement regarding the legal status of UNOPS Division for Procurement Services in Copenhagen
2005	Measures proposed in UNOPS' 2005 action plan and recognized by the Executive Board of the UNDP and the UNPF include the relocation of UNOPS Headquarters functions from New York
2005	Deadline for submission of offers is set for December 12 (September)
2005	The official proposals, as transmitted by the Permanent Missions to the UN are opened. Offers received from Germany, Spain, Italy, Denmark, and France (December)
2006	UNOPS' Management Coordination Committee endorses UNOPS' recommendation to accept the relocation offer from the Government of Denmark (January)
2006	UNOPS relocates its headquarters functions and Europe-based operations to Denmark (Copenhagen) (December)
2009	Official opening of the UNOPS Headquarters in Copenhagen
2013	UNOPS Headquarters moves to UN City Copenhagen

## Course of events

The UNOPS' Division for Procurement Services was already stationed in Copenhagen before it won the bid for the Headquarters. The other host states (and cities) in the

competition were Germany (Bonn), Italy (Rome), Spain (Madrid), France (Paris), and the United Arab Emirates (Dubai) that joined the bidding later. When they expressed their interest, UNOPS formalized their decision criteria. They decided on the proximity of airports, time zone to major operations, educational level of labor markets, the post adjustment (salary costs), access to local and international labor markets, and the financial incentives: rental and operational subsidies, moving expenses, training, double occupancy of post.

The main reason UNOPS had to move from New York was due to financial problems. During 2005, UNOPS developed a plan of action to correct the income volatility and high fixed costs to become financially viable in 2006. A few options arose. One was an immediate reduction in the range of services provided to a core set of product offerings and skill sets. In May 2006, Jan Mattsson (from Sweden) was appointed Executive Director of UNOPS. Mattsson was one of the important network members in the process of moving the Headquarters from New York. UNOPS would, under his direction, put in place a dedicated financial cleanup project team. In the meantime, Interim Executive Director Gilberto Flores, who preceded Jan Mattsson, had cut a deal with Denmark: "120 jobs as a quid pro quo for, among other things, a transition fund with very few restrictions." (Russell Lee, 2006, p. 2). There was a problem: the headquarters function remaining in New York did not add up to 120 jobs. A decision was therefore made to relocate operating units as well, including those servicing mine removers in the field. After the submission of offers by Germany, Spain, Italy, Denmark, and France, all completed within four months (from September 2005 to December 12, 2005), two were the most favorable: the proposals of Denmark and Germany.

## Attracting the UNOPS Headquarters: the playing field and its players

The organizational network attracting the UNOPS Headquarters to Copenhagen consisted of the State Secretary of the Development Department – Carsten Staur, the 'ideological architect of UN City' -, the Ministry of Foreign Affairs, the Danish representative to the UN in Geneva and in New York, the Ministry of Taxation, Ministry of Commerce, and the UN Foundation. Although the Danish government had agreed to pay the costs of moving the offices including staff from New York to Copenhagen, Lars Hørmann, senior adviser in the UN Office of the Danish Foreign Ministry, was confident that the agencies gave Denmark a net gain: "The presence in Copenhagen means attractive job opportunities for Danes. About one third of the staff in Copenhagen are Danes, and only one third (...) is expected to come from New York" (Development Today, 2006, p. 3). The German bid was competitive but lacked the beneficial relocation costs and post adjustment<sup>38</sup>, as well as coverage of telecommunications costs and the

<sup>38</sup> The post adjustment is a variable component that is adjusted periodically to reflect changes in the cost of living in a duty station.

annual running costs of the premises. Nevertheless, Copenhagen's cards were better, partly due to the beneficial offer from the Danish government.

## The UN Office for Project Services Success Measures (Copenhagen)

The first type of success was a 'factual success'. The pre-stage started in 2005, when the UNOPS management proposed an action plan which the Executive Board of the UNDP recognized. This included the relocation of the headquarters functions from New York. They set the deadline for the submissions of offers for December 12, 2005 (Stage 1). The official proposals came from Germany, Spain, Italy, Denmark, and France (Stage 2). Afterwards, the UNOPS' Management Coordination Committee endorsed UNOPS' recommendation to accept the relocation offer from Denmark (Stage 3). A year later the UNOPS relocated its headquarters functions and Europe based operations to Copenhagen (Stage 4).

Figure 7.1 First success type Copenhagen's successful case: UNOPS Headquarters



Stage 1: Letters of intent > Stage 2: Five candidates accepted > Stage 3: Danish bid endorsed > Stage 4: Copenhagen wins

The second type of success was a 'perceived success', as those involved commented positively on the attraction process. The Danish offer was quite generous. The offer was the first for a UN Headquarters in Denmark and it was also meant to attract many more UN agencies afterwards. One of the network members proclaimed: "It was a very attractive deal for UNOPS. [It was] a huge move of the global headquarters for more than 8,000 employees nationwide. It helped to attract other IOs" (Interview D9.11). There were already plans to establish a UN City building in 2005: "At the time we started negotiations with UNOPS, we also started negotiating with an Inter Agency Group and Copenhagen City on plans to establish a house for all UN organizations to be there and use that to attract more" (Interview D15.17). The Interagency Group negotiated with the city and the Ministry of Foreign Affairs to see if the Nordic quarter of WHO and UNDP could join forces. He continued: "When we succeeded to get UNOPS to the city, it sparked the idea to have a more strategic approach and make attractive conditions so it should be possible to attract even more organizations" (D15.17). The overall perception of the organizational network was that the UNOPS Headquarters was a success that led to many other IOs moving to Copenhagen. The attraction also helped the negotiations for the establishment of the UN City building.

**Figure 7.2** Second success type Copenhagen's successful case: UNOPS Headquarters



Perceived Failure > Moderate Perceived Failure > Moderate Perceived Success > Perceived Success

### 7.1.2 Case 2: Sustainable Energy for All

The playing field around the Sustainable Energy for All case has been explained in the previous chapter. The Danish organizational network consisted of the Protocol Department, the Climate and Energy Department, the Green Growth Department, and the Environment Department of the Ministry of Foreign Affairs, the Tax Agency and the Ministry of Industry, Business and Financial Affairs, the UN Foundation, and the Danish Representative to the UN in New York.

The Canadian letter of interest was sent late April 2015. Nevertheless, the Canadian government withdrew from the bid a few weeks later. Although they attended the SE4ALL conference in New York in May 2015 with a delegation (the Embassy, Montréal International and some Quebec Representatives to the UN) the new government did not see the attraction as a priority anymore. The remaining bidding countries were Denmark (Copenhagen) and Austria (Vienna); the others, Italy, and Barbados, did not make it to the second round. In the end, it was a choice between Vienna (the status quo) and Copenhagen (with a very generous offer).

The Danish letter of interest was sent in an early stage, the bid book contained an offer with rent-free premises and financial benefits. A problem arose when the attraction process was in full swing: re-elections of the Danish Prime Minister. Helle Thorning-Schmidt, a social democrat who was in office from 2011-2015 called for re-elections in June 2015, exactly after the bid was handed in and after a telephone interview with Sustainable Energy for All. Having this interim government was inconvenient for the organizational network and caused reservations about the bid. The new Prime Minister, the Liberal Lars Løkke Rasmussen who was also in office between 2009-2011, was appointed on June 28, 2015, just before the committee decided on the location. He immediately confirmed and supported the bid. Tax benefits and concrete rules and regulations were however dependent on the status of the partnership to be chosen under Danish law: "Sustainable Energy for All could be established as a non-commercial foundation; another possibility would be the establishment as a not-for-profit association. For these types of organizations, several forms for tax exemptions can apply, including regarding income tax on Sustainable Energy for All" (Ministry of Foreign Affairs of Denmark, 2015a). These were, however, not the requested privileges and immunities. The decision

of the Sustainable Energy for All to stay in Vienna was taken in July 2015, when it was not an 'Initiative' anymore, but a Quasi-IO under Austrian law.

## The Sustainable Energy for All Success Measures (Copenhagen)

The first type of success was coined a moderate factual failure, as the host city made it halfway the decision-making process. The pre-stage started with the Sustainable Energy for All renting a floor in the Adromeda Tower in Vienna. When they rented another floor, which was not explicitly agreed upon, the organization sent out a Request for Proposals. The five candidates reacted with letters of intent (Denmark, Austria, Canada, Barbados, Italy) (Stage 1). In the second phase of the process, three candidates sent their follow-up letters (Stage 2), and in the third phase the Austrian government made it clear that they would meet the needs of the organization in offering them special status. This was also the stage where Copenhagen left the process. Such a status was not possible in Denmark (Stage 3). In the last stage, the Sustainable Energy for All announced that they would stay in Vienna. No voting procedure was necessary (Stage 4).

Figure 7.3 First success type Copenhagen's failed case: Sustainable Energy



Stage 1: Letters of intent > Stage 2: Follow-up letters > Stage 3: Austria writes new law > Stage 4: Vienna wins

The second type of success was a 'moderate perceived failure'. Full engagement was important, and yet some organizational network members complained. One of them found an error in the interactions with others, such as institutions dealing with energy. One of the reasons the engagement was not absolute, was due to the internal debate, about whether Sustainable Energy for All was slightly over-demanding. The Ambassador to the UN presented the case to the committee in New York to decide on the location and found that "It took more argument to move them out, since they already were in Vienna" (Interview D15.17). Most of the organizational network members were positive about the process, especially about the engagement. As one of the actors recalled: "We learned how to streamline the processes; the government has not been opposing" (Interview D14.16). Apart from the difficulty in giving the IO tax exceptions in Denmark and the change of government, those involved had a positive judgement of it.

**Figure 7.4** Second success type for the failed case of Copenhagen: Sustainable Energy



Perceived Failure > Moderate Perceived Failure > Moderate Perceived Success > Perceived Success

#### 7.2 Instrumental perspective

## Instrumental explanation Copenhagen's successful case

Greater Copenhagen focused on two frameworks and four strategic growth areas in 2005. The frameworks were 'Efficient and sustainable mobility' and 'Highly skilled workforce and internationalization'. The second framework focused on attracting international talent and aimed to internationalize. Also, public-private cooperation needed to be enhanced (The Capital Region of Denmark, 2006, p. 14). The first framework – sustainable mobility – led to investments in carbon emissions, international accessibility, quality of life and health and mobility. The four growth areas were: health and welfare technology growth, green growth, creative growth, and smart growth. There was, however, no explicit mention of the attraction of IOs.

## Host policy goals, 2005

When the Danish Ministry of Foreign Affairs wrote a letter of interest for UNOPS in December 2005, 770 UN staff were based in Denmark. The existing UN organizations were scattered all over the city, but mostly concentrated in the UN House near the city center. The Government of Denmark offered "an attractive business environment" based on the strategy "Denmark in a global economy" (Danish Ministry of Foreign Affairs, 2005, p. 2). The goals of this policy were cohesion and strong competitiveness. World-class education attainment was needed to achieve these goals: 3% of GDP expenditure on research and development and the largest number of business startups and high growth startups in Europe (OECD, 2008).

## Nation branding goals, 2005

The Cartoon Crisis of 2005 marked a turning point in the Danish brand. In September 2005 a depiction of Prophet Muhammad in Jyllands-Posten caused protests worldwide and Danish products were banned from stores in Islamic regions. In almost all parameters Denmark's ranking worsened, excluding exports (Anholt, 2008). Especially in Egypt and Turkey, the Danes were put on the bottom of the list (50 out of 50). In a study conducted by the Chamber of Commerce of Denmark, internationals described the Cartoon crisis as more harmful to Denmark's brand than Danish companies did (Mordhorst, 2015). This study and the Anholt's Brand Index found that Denmark was generally viewed as a closed society, especially because of the strict visa rules, Danish immigration policy, and the Cartoon Crisis (Mordhorst, 2015). According to the Danish Prime Minister at the time, Anders Fogh Rasmussen (2001-2009 in office), the conflict should be regarded as a window of opportunity: "There is a focus on Denmark, and we shall try to use this actively. Therefore, I have initiated a strategy that will secure a focused, active, and global marketing of Denmark. It will be carried out in close collaboration with the corporate sector" (Angell & Mordhorst, 2015). The following year, the government launched a nation branding program. It included an effort to integrate business with politics and

the allocation of resources for strengthening Denmark's reputation. The nation branding program's objective was to improve Denmark's position on the Nation Brands Index (NBI), from its 14<sup>th</sup> place (in 2007) to among the top 10.

## City marketing goals, 2006

The ambition of the Copenhagen municipality was that in 2015, the capital should be Northern Europe's most attractive metropolis for living, studying, entrepreneurism and visiting. The 2005-2009 City Development Strategy stressed sustainability, affordability, accessibility to the water and economic dynamism. In addition to that, the city of Copenhagen tried to relax regulations for businesses by initiating the project 'Gearing up Copenhagen' which aimed to secure deregulation and ease business creation by establishing a single-entry point (Cremer, 2016). It entailed a more permissive approach to events and concerts in the public spaces in the city, as well as flexible stalls and outdoor service from restaurants and cafés (OECD, 2008). The city marketing goals were, in short, sustainability, affordability, accessibility to the water and economic dynamism.

### Bid for UNOPS, 2005

The Danish host agreement was based on an offer presented in a letter of interest of the Danish government on December 2, 2005. The letter was directed to Executive Director Gilberto Flores and referred to a meeting on November 9, 2005, with the Dutch Transition Advisor Johan van de Gronden and the Delegation from UNOPS (Danish Ministry of Foreign Affairs, 2005). State Secretary Carsten Staur signed the letter; a leaflet describing the package offered by the Government of Denmark was enclosed. First, the Danish Government offered premises free of charge to accommodate 120 professional and administrative staff, consultants, and short-term personnel. Facilities comprised the required meeting, training, crisis management and conference rooms (Danish Ministry of Foreign Affairs, 2005, p. 1). Denmark is mentioned as a low-risk country in terms of threats against international personnel and organizations; the premises foreseen for UNOPS would be fully equipped and ready from early spring 2006, and Denmark would cover the annual running costs of the office facilities (Danish Ministry of Foreign Affairs, 2005).

Secondly, the bid highlighted Denmark's support of UNOPS' ambition to become a competitive partner providing infrastructure and reconstruction support services in post-conflict and crisis countries. Thirdly, Denmark offered an attractive business environment for UN organizations. Fourthly, the bid mentioned the smooth transition for staff, highlighting the family-friendly environment Copenhagen has created with its high-quality international schools (Danish Ministry of Foreign Affairs, 2005, p. 2). The last article of the host state agreement is intriguing; "It is understood that, should the Government enter into an agreement which accords a more favorable treatment than accorded to UNOPS in this Agreement, UNOPS shall have the right to request

that similar treatment be also extended to UNOPS" (UNOPS and the Government of Denmark, 2007, p. 17). This shows that Denmark was acting fiercely in the 'bidding war' for IOs.

 Table 7.2
 Alignment between policies and bid for the UNOPS Headquarters

UNOPS bid	Host policy	Nation branding	City Marketing	Policy alignment
Goals in key words  Elements in the UNOPS bid:	0	Improve Denmark's position on the Nation Brands Index (NBI)	Sustainability, affordability, accessibility to the water and economic dynamism.	The following elements from the UNOPS bid showed alignment on the depth of information dimension:
1. Premises free of charge, low risk country	Highly skilled workforce and internationaliza- tion		Secure deregulation and ease business creation by establishing a single-entry point	'Denmark fully supports UNOPS' Alignment with two policies
2. Denmark supports UNOPS' position as competitive partner	Strong competitiveness	improve Denmark's position on the Nation Brands Index (NBI)	-	'Friendly for staff' Alignment with one policy
3. Attractive business environment	Attracting international talent	Integrate business with politics	Relax regulation for businesses	provide to UNOPS and its personnel security No alignment
4. Smooth transition for staff, spouse, and children friendly environment	Goal to internationalize	Make Denmark better known through hosting world-class events	Copenhagen based UN Organizations established close relations	'Attractive business environment for UN organizations' Alignment with two policies

### Categorical concurrence

The first dimension of alignment turned out high: 83 percent or 10 of the 12 boxes were filled. Many elements of the host state agreement were mentioned in the policy goals, especially the last two: attractive business environment and smooth transition for staff, family-friendly environment. The first two – premises free of charge and Denmark supports UNOPS position as competitive partner – were aligned with the policy goals to a lesser extent.

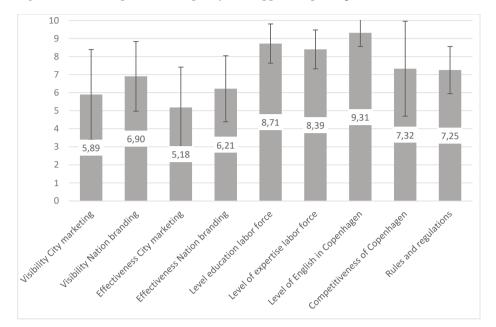
## Depth of information

The second dimension showed an alignment of 42 percent where 5 of the 12 elements in the bid were elaborated upon. As depicted in table 7.2 this alignment was low. The alignment was especially found with the host policy and city marketing goals, for example in the first element, premises free of charge. The attractive business environment and Denmark as a global economy were elaborated on in the host policy goals, which aligned with the 'Denmark fully supports UNOPS' aspect of this element in the bid. In the city marketing goals this topic was elaborated on in the 'secure deregulation and ease business creation by establishing a single-entry point'. This policy goal also expressed a strong support for business related initiatives. The other aspect that aligned with host policy and city marketing was smooth transition for staff. The goal to internationalize was articulated and elaborated on in the host policy, and in the city marketing, the goal 'Copenhagen-based UN organizations establish close relations' showed strong alignment.

### Perception of host policy and support Copenhagen's successful case

## Perception of branding policies

Most respondents found the nation branding more visible than the city marketing and more effective to attract IOs. The explanation behind these ratings was diverse. The city marketing was, in the eyes of a UNOPS Office Manager "Not visible to the UN". He was more positive about the nation branding: "The attention you get from the top is pro UN and UN City, they attracted so many" (Interview D17.19). There were also representatives with the opposite reaction, such as an employee at the World Bank Group, who found the visibility of nation branding lower than the city marketing: "Denmark doesn't have the best reputation any longer because of the refugee policies" (Interview D21.24). Another respondent was positive about the effectiveness of Danish branding: "Denmark got a lot of attention, especially in the US of the democrats: Hilary Clinton and Sanders both referred to the flexicurity model of Denmark and the windmills are important: Denmark owns 80% of the global expansion of windmills" (Interview D24.27). This aspect was a plus minus because the answers were mixed.



**Figure 7.5** Perception of host policy and support Copenhagen (N=15)

### Perception of elements in the bid

The elements in the bid were premises free of charge, support of UNOPS' competitive position, business environment and smooth transition. Respondents reacted quite positively on the first element; premises free of charge: "I think the most important for UNOPS was cost. Because the organization was in financial chaos with a very high cost for rental office space in New York and the Board in this financial crisis went out and asked member states who can give UNOPS free office space". On the second, support of UNOPS, one respondent said: "The IOs are very much interested in support" (Interview D1.1). Many respondents thought about the next aspect, business environment, particularly when discussing the Danish priorities and possibilities to start a business, related to the program for spouses: "You can do the Startup Denmark program if you are not EU. Business concept, you need some money to start up, prove some things: you need to prove a business concept and you need a business plan" (Interview D4.6). Many were positive about the last element of a smooth transition. The respondents found this very important but thought it took "a bit of time", and some found the process to settle in "relatively smoother in Austria and in the Netherlands, compared to Denmark" (Interview D28.31). This locational item was coined a plus because most of the reactions were positive.

### *Perception of rules and regulations*

The rules and regulations were commented upon quite diversely. One of the UNOPS representatives said: "It is a negotiation; at the time you really needed to do your homework" (Interview D17.19). Another one found the rules and regulations were organized extremely well because "we can hire internationally even for local staff", and she continued: "We can advertise on the website and hire somebody from China or Chili, and they get working permits to work for us" (Interview D21.24). The respondent found that some of the rules were still unclear: "There are still certain aspects of taxation that are in a grey zone and not sorted out, such as ownership of property abroad and where you would be taxed and those kinds of things" (D21.24). Apart from these difficulties, most thought that the rules were well organized. This item was therefore coined a plus.

## Government support

In terms of support and how the government handled complaints, the respondents were relatively positive. The International House [the city help desk for expats], one respondent said, "was not very helpful. We have 2,500 expats in total, our capacity is small. To engage is difficult" (Interview D17.19). Political support and funding from the government was considered good, especially in relation to the UNOPS host state agreement. The only problem is the different packages for IOs, one found: "Denmark should give a clearer package across the board. What would make a difference is to retain the privileges and to make it simpler, and I would even say to have a presence of the city of Copenhagen in the building" (Interview D28.31). The respondent made clear that the Danish government should not be overly concerned about the costs of IOs, because they bring in more money paying for housing, food and consumer goods. This subject is considered a plus as the support was seen as sufficient.

### Instrumental explanation Copenhagen's failed case

Danish strategies have been called aggressive by other candidates. The Danish International Development Agency (Danida) of the Foreign Ministry launched a brochure in December 2012, titled "We Welcome You in Denmark – Move to The New UN City In Copenhagen" (Danish Foreign Ministry, 2012). It was an offer for all UN organizations settled elsewhere. In 2015, the first strategy paper about hosting IOs in Denmark stated: "There is a tough international competition for the attractiveness of UN organizations. The grant for establishment and the offer for free rent are therefore considered to be crucial elements of Copenhagen's competitiveness as a UN host city." (Development Policy and Global Cooperation, 2015, p. 2). In short, the aggressive characterization of Denmark may have been a realistic representation.

## Host policy goals, 2015

However eager Denmark was to host IOs, it needed to be more profitable for the country. The grant for the UN agencies' moving costs and establishment for example, up to USD

100,000 per share – used in 2013 and 2014 – would come to an end: "These 'attractive funds' (...) are no longer sold from 2016 onward" stated a strategic team (Development Policy and Global Cooperation, 2015, p. 2). Other changes were the possible opening of a new campus nearby, an option that would provide a larger number of office spaces. Some advice given to the Foreign Minister showed an overview of Copenhagen's competitors, "Especially with the other European office seats and UN host cities Vienna, Geneva, Rome and Budapest. Denmark has previously assured other host countries that it is only actively seeking to promote the relocation of several organizations to Copenhagen in cases where the issue of relocation is already being discussed or raised from other sources" (Development Policy and Global Cooperation, 2015, p. 3). The Danish government used this advice. Whereas they actively attracted all interested UN organizations in 2012 when filling up the UN City, now, they would only contact organizations looking for relocation, such as UNICEF's Private Fundraising and Partnerships. The Danish host policy goals were to remain a strong supporter of the UN and one of the top donors to UN funds and programs (Development Policy and Global Cooperation, 2015).

### Nation branding goals, 2015

One of the actions towards a better brand the Danish government undertook after the Cartoon Crisis was the establishment of an advisory Globalization Council in 2005 (Sørensen, 2008). This resulted in The Globalization Strategy of Denmark: a strategy supported by Danish Parliament. The goal of the strategy was to make Denmark better known through hosting world-class events, improving coordination of the different marketing activities, and assuring more synergy between public and private sector marketing activities. This would be achieved through the joint communication platform and mainly by inviting the world to Denmark and branding the image inside the country. Five special focus areas were Denmark as a creative nation, a study destination, a tourist destination, an investment location, and the modernization of export promotion. By 2015, the Global Strategy aimed to have Denmark ranked among the top 10 OECD and emerging economies in terms of people's perceptions of the country's strengths and skills. Cross-cutting initiatives were the "branding Denmark initiative (the marketing Denmark fund and stronger coordination), public diplomacy, intensified international PR activities, increased use of the internet, and a digital movie about Denmark" (Sørensen, 2008, p. 6). Whether or not these measures helped, the brand of Denmark did become more visible. Denmark increased in the country index from ranking 19th out of 110 countries in 2010 to 9th out of 75 countries in 2015 (FutureBrand Index, 2015). Diplomacy played a more central role in branding and being part of the Nordic Brand became more important to Denmark (Mordhorst, 2017).

## City marketing goals, 2015

In 2012, the city of Copenhagen was  $3^{rd}$  in the ranking of the richest cities in the world,  $9^{th}$  in the Mercer Quality of Living Survey and  $8^{th}$  in the top smart cities on the planet. The

city has been named the 'most livable' city worldwide and ranked first several times in the World Happiness Report. Copenhagen occupied the top position for its high quality of life and environmental protection (Ni & Kresl, 2011). When Denmark attracted the Sustainable Energy for All, Copenhagen had just been named the 2014 European Green Capital (Pisano, Lepuschitz, & Berger, 2014). According to the City of Copenhagen Municipal Plan of 2015 'The Coherent City', the city should grow towards a sustainable city socially, economically, and environmentally. The policy goals were a "green residential city, coherent, quality of life, growth and jobs, and investment in Greater Copenhagen, with the creation of an international hub" (City of Copenhagen, 2015, p. 7).

## Sustainable Energy for All bid, 2015

The bid for the Sustainable Initiative consisted of 12 pages containing six short chapters and a table summing everything up. The six chapters covered financial contributions, facilities, taxation, legal status and status for the partnership staff, public infrastructure and services, and amenities (Ministry of Foreign Affairs of Denmark, 2015b). The offer started by stating that Denmark was among the first countries supporting Sustainable Energy for All, both politically and financially. Up until that moment the Danish Government had supported Sustainable Energy for All entities with a total of 186.7 million Danish kroner (which was 25.1 million euros in January 2021). The bid also explained why Denmark believes in the Sustainable Energy for All Initiative: the sustainable development goal on energy is a high priority for the Danish Government. The bid included several additional examples of its many contributions to the energy field.

The second section, facilities, promoted the UN City as a certified building with high standards for sustainability and energy efficiency. Denmark also offered one-time financial relocation support covering several specific purposes mentioned in their letter of interest (Ministry of Foreign Affairs of Denmark, 2015b).

In the third section, taxation, the offer was straightforward. In terms of tax benefits, they depended on the status of the Initiative (Ministry of Foreign Affairs of Denmark, 2015b, p. 6).

The fourth section, legal status and status for partnership staff, stated that "If established as an international not-for-profit organization, Sustainable Energy for All will enjoy the legal status awarded to international non-governmental organizations in Denmark which does not include diplomatic status to neither the organization nor its staff" (Ministry of Foreign Affairs of Denmark, 2015b, p. 7). It added that if Sustainable Energy for All would establish as an IO under Danish law at a later stage, the organization would be granted those privileges and immunities required to fulfill its mandate in the most effective and professional way.

The fifth section, public infrastructure and services, covered the easy access, sustainable public infrastructure, and the main traffic hub function of Copenhagen Airport. Hotel and meeting facilities were mentioned, as well as the accessibility of education. The highly educated and scientifically advanced workforce was underlined as well; 96 percent of young people having completed secondary education and 47 percent tertiary education (Ministry of Foreign Affairs of Denmark, 2015b, p. 9).

The sixth section, amenities, gave an overview of Denmark and Copenhagen as an international hub. It mentioned the focus of Denmark and the UN City on energy and sustainable development, while highlighting the UNEP-DTU Partnership working in the field of climate, energy and sustainable development, and other partnerships. Denmark was later denominated as a 'green growth and clean tech hub.'<sup>39</sup> The high livability rank was also mentioned: Copenhagen had been designated the most livable city in the world in Monocle's Quality of Life Survey both in 2013 and 2014.

**Table 7.3** Alignment between policies and bid for the Sustainable Energy (Copenhagen)

Type of policy	Host policy	Nation branding	City Marketing	Policy alignment
Goals in keywords  Elements in the SE4All bid:	11	By 2015, Denmark is ranked amongst the top ten of all OECD countries	City is sustainable socially, economically, and environmentally.	The following elements from the SE4All bid showed alignment on the depth of information dimension:
1. Financial contributions	office space free of rent and the opportunity to explore the possibility for additional support	Rent-free offer	Growth and jobs, and investment in Greater Copenhagen	Supporting SE4All, Additional grants Alignment with one policy
2. Facilities	global responsibility – UN organizations with the best possible facilities	Great access to operational and strategic synergies	easily accessible location	Rent-free premises, one-time financial relocation support. Full alignment

<sup>39</sup> Falsely, it said "teach hub" instead of "tech hub". Such small mistakes probably did not affect the decision that was taken, but it shows inaccuracies in the making of the bid.

Type of policy		Host policy	Nation branding	City Marketing	Policy alignment
3.	Taxation	The grant of the UN agencies' moving costs no longer sold	-	-	No tax benefits, except research positions. No alignment
4.	Legal status and status for partnership staff	Denmark takes its global responsibility seriously		-	No diplomatic status for staff unless SE4All is established as an IO under Danish law. Alignment with one policy
5.	Public infrastructure and services	the top in international quality of life indexes	Highly developed infrastructural capabilities	most livable city, high accessibility	Well-connected city with sustainable public infrastructure. Alignment with two policies
6.	Amenities	Great opportunities for families	expatriates in Denmark express high satisfaction	Prime location, high security, ()	International hub with focus on energy and sustainable development, green growth and clean tech. Alignment with two policies

## Categorical concurrence

The categorical concurrence between the bid and policy goals was 78 percent or 14 of the 18 boxes (Table 7.3). I found several co-occurrences between the bid for Sustainable Energy for All and the attraction policies. The elements in the bid overlapped especially with Denmark's host policy, albeit often negatively. For instance, when the bid's goal was mentioning Taxation, the host policy stated, 'the grant of the UN agencies' moving costs are no longer sold'. The alignment with the city marketing and nation branding were similar. The only elements that had a very low alignment with policy goals were taxation, and legal status and status for partnership staff.

## Depth of information

The second dimension of alignment was average: 50 percent or 9 of the 18 boxes were highlighted. This means that only 9 of the 14 found co-occurrences were elaborated upon. Host policy and city marketing goals were most aligned with the bid. The most developed element in all the policy goals was facilities. The second-best covered elements were public infrastructure and services in which the host policy and the city marketing goals were specified, and amenities which was broadly covered in host policy and nation

branding goals. The alignment between the elements in the bid and the city marketing goals was mainly found in the green residential city, in the investment of an international hub and in the sustainable angle the city marketing promoted. These issues were also crucial in the bid. This shows that policies need to be explicitly directed to the IO the city and host state want to attract.

## Perception of host policy and support Copenhagen's failed case

## Perception of branding policies

A respondent from the Danish Refugee Council found the UN City "an enormous boost and a move forward of the visibility of Copenhagen. There were people in Geneva who felt overwhelmed by Copenhagen" (Interview D24.27). A last observation of someone who thought the city marketing was less visible than the nation branding came from a UNHCR employee who stated: "Denmark is visible at the airport. Carlsberg, Tuborg, the Danish flag, they are more visible than Copenhagen" (Interview D27.30). When responding to the effectiveness of city marketing and nation branding in order to attract IOs, there were also more positive ratings of the national than the local policies.<sup>40</sup> One of the IO representatives who found the effectiveness equally effective, "an 8 or 9", considered Wonderful Copenhagen [a local branding organization] "fairly successful: first in features was the bicycle, that was in the New York Times, there is even a word for it: to make a city bicycle friendly is to Copenhagenize" (Interview D24.27). To attract IOs, some thought the branding policies were crucial. One of the IO representatives thought the nation branding was "a 7, in terms of innovation or green solutions. I think Denmark is very strong in wind power" (Interview D23.26). He rated the effectiveness of the city marketing "a 5 or 6, for IOs it is not about trying to convince them, it is more about the labor force and the cost here" (D23.26). The branding policies were coined a plus minus, as the reactions were mixed.

## Perception of elements in the bid

Many IO representatives talked about the competition that Copenhagen experienced. On the elements in the bid, which were mainly financial, tax and facilities issues, the competitiveness was high. As one of the respondents said: "there could be a competition about who gets the donors and who gets the funds within the UN system" (Interview D17.19). Another representative voiced it as such: "I heard that some cities are quite upset with Denmark for having been so aggressive in attracting entities, including entities that had moved from Geneva, Vienna or elsewhere, or that these places were interested in attracting from somewhere, so it has created some friction between

<sup>40</sup> With a mean of 5.1 for city marketing and a minimum of 2 and a max of 8.5 versus a mean of 6.2 with a minimum of 3 and a max of 8.5.

countries" (Interview D21.24). About the financial issues, especially the cost of the labor force, IO representatives were quite positive: "Here in Copenhagen, most of the staff is locally recruited. Having access to that work force that is capable is very important. Because local labor force is less costly" (Interview D23.26). From the part of the UNDP, this respondent added: "We are exploring other locations: New York, Kuala Lumpur, they are looking into it" (D23.26). The perception of the elements in the bid is coined a minus, as the competition was felt, in a negative way, on most of the elements in the bid.

## Perception of rules and regulations and support

The rules and regulations were not well organized, according to most IO representatives. This was because of a change in the law for obtaining identity numbers. In Denmark, everyone owns a digitalized CPR number, where all social services are stored and several other services can be accessed, such as educational facilities, but also telephone company agreements and bank accounts (FYI Denmark, 2019). Since 2016, European citizens can obtain this number in the UN System: they can choose between a residential CPR or an administrative CPR. With the residential CPR they get the Danish benefits but loose the UN ones (such as owning a tax-free house abroad or other VAT regulations). Since 2016, non-EU members can only get an administrative CPR, whereby many online selfservices are inaccessible (Protocol Department MFA, 2018). Due to this change, one respondent even felt "treated as an insignificant minority" (Interview D26.29). Another said that the problems with CPR numbers "creates a divide between internationals in this house, it is not One UN" (Interview D19.21). These issues were considered as the main problem in the reception of the policy by IOs: "Families need to be integrated if you want to attract people in the long run" (Interview D18.20). The rules and regulations were coined a minus because of these issues.

### Government support

In the period when the Sustainable Energy IO was attracted, the main problem was the legitimation cards and the minimum help international employees experienced from the International House Welcome Center with problems concerning housing, healthcare, and their status when coming from a non-EU member state. "The big difference is that Scandinavian countries tend to be more digital, so many things are linked to an identification number" said one UN employee, who thought the difficulty was mainly "that they have not extended the CPR scheme to the UN staff, which they should" (Interview D28.31). He found that the level of trust the government had in international employees was problematic. "They are tying lots of things to the CPR number to fight immigration and money being transferred, but the solution would be to extend the CPR system, all the UN staff within the UN are quite legal" (D28.31).

### Conclusion

In the successful UNOPS-case the bid was less aligned with the host and branding policy goals than in the failed Sustainable Energy for All case, which showed an average alignment. This is the opposite of what I expected. When looking at policy perception and support, the international employees were more positive about the host policies and elements in the bid in the first and successful UNOPS case, which was due to host policy changes, for the worst.

### 7.3 DISCURSIVE PERSPECTIVE

## Discursive explanation Copenhagen's successful case

## Priorities and narratives of the organizational network

For the organizational network attracting the UNOPS Headquarters, the following elements were the highest priorities: taxes, relevant centers, political stability and physical infrastructure. The narrative explaining taxes was clear, as one respondent said, "The fact that IOs will have free housing, the tax settlements and a satisfactory host state agreement are bottom line" (Interview D16.18). Relevant centers and political stability were not prominent in the narratives, although the element of relevant centers was mentioned several times. The success of the new building UN City had, according to some, a 'flywheel effect' for other UN agencies since the opening in April 2013 (Interview D3.4). Another important representative of the organizational network, working at the Protocol Department of the Foreign Ministry found the decision mostly political: "The most important element is free housing. Settlements for foreigners are well organized: if these things are satisfactory, then the reputation of the city is important" (Interview D16.18). Regarding the physical infrastructure, the organizational network members underlined 'being a major hub' as a goal they praised their connectivity to African countries. The number of flights to Central Europe was limited, which some found a concern.

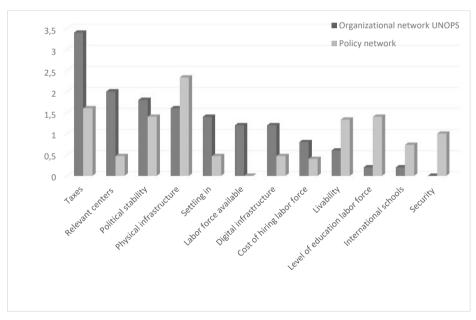
### *Priorities and narratives of the policy network in both cases*

The policy network retaining IOs (N=15) highlighted physical infrastructure, political stability and livability. Many were working on making foreigners feel at home and underlined livability, since Copenhagen was also one of the highest ranked in that area (World Happiness Report, 2017; Social Progress Index 2017, 2017). A bit lower on the list but prominent in the narratives was the level of education of the labor force. In the narratives the context for this latter became clear: "The level of education of the labor force is high in Denmark; it is quite easy to get qualified staff. We heard that some of them at that time wanted to renew their staff and (...) they were certain that kick starting the organization in Denmark was an option (Interview D1.1). The policy network was eager to mention the high level of expertise in Copenhagen. They thought the availability

of a labor force was not a problem for IOs (hence the low rank). Another narrative I found concerned security: "A lot of conferences were moved because of people's fear of terrorism. We have seen that lately when there had been a terrorist attack in Istanbul, they don't want to place next year's conference there" (Interview D13.15). This respondent and others did not hesitate to add that Denmark was one of the safest countries.

## Comparison of organizational and policy network in the successful case

The following figure shows the priorities of the two groups in the UNOPS case. The most remarkable difference is the taxes element, which the organizational network ranked higher. Labor force availability was rated significantly higher by the organizational network than by the other groups. <sup>41</sup> The differences in the narratives, especially on the labor force issues were framed differently by the policy network. They focused more on the level of education and were leaning on a presumed sufficient availability in the city. Two elements with overlap were physical infrastructure and political stability.



**Figure 7.6** UNOPS: priorities governmental groups

Priorities and narratives of international representatives in both cases

The group of international representatives (N=12) prioritized physical infrastructure, settling in, and level of education of the labor force. About settling in, one also found "time

<sup>41</sup> A Kruskal Wallis H Test showed this: H(3) = 7.13,  $\rho = 0.068$ 

zones very important. What I observe is that IOs chose more central points" (Interview D23.26). The hospitals, international schools and dual career items were overrepresented in the narratives of international representatives. Many found international schools crucial as part of the quality of life element. As a member of the Danish Refugee Council said: "We hear a lot that people like it here, they are biking, the kids are in school, living is easy." (Interview D24.27).

When the second case was attracted, the international representatives demonstrated a negative narrative about foreigners settling in. As one of the UN employees explained, there were two concerns: within a family only one type of CPR could be obtained, meaning that when one member gets the administrative 'second rank' CPR number, their spouse can work, but they remain invisible in the digital system. It is difficult to get health insurance, a bank account, an internet connection, and a mobile phone contract. In the narrative many mentioned the impracticalities that accompanied it. To give one example: Since children get dental care at national schools and not at international schools, some international children could not get a dentist appointment, as one UNHCR employee explained: "UNOPS recently wrote an e-mail to the whole UN family that there was an emergency, if anyone knew a dentist, as the daughter of an employee was in heavy pain and could not be received anywhere until finally one dentist agreed to help her" (Interview D19.21). "It is fine the admin CPR" she continued, "but it has its shortcomings, and we believe it only needs a little fix, a twist in the software so they are visible, but not really receive what a tax paying citizen is receiving" (D19.21). Secondly, a UNOPS employee found the divide between EU- and non-EU-members ridiculous: "the UN is all about equal opportunities. This is not possible with a permit system like this" (Interview D18.20).

Comparison of organizational network and international representatives in the successful case

The differences between the UNOPS organizational network and the international representatives were concentrated around the elements livability and settling in. The internationals rated dual careers significantly higher than the other groups. Other elements connected to livability such as international schools and hospitals were crucial to the internationals. An overlap was found in the physical infrastructure, settling in and labor force issues. All in all, there were many differences between the two groups.

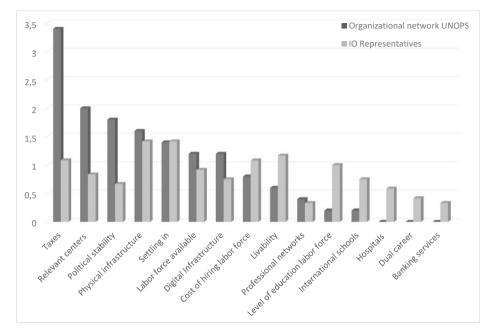


Figure 7.7 UNOPS: organizational network and internationals

### Discursive explanation Copenhagen's failed case

Priorities and narratives of organizational network in the failed case

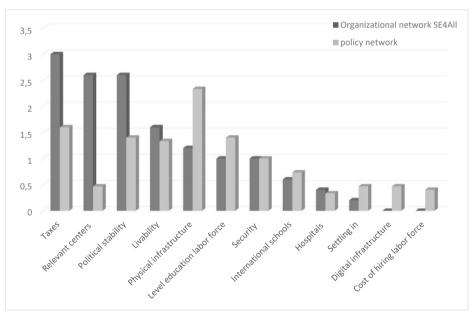
The Sustainable Energy for All organizational network (N=7) prioritized relevant centers significantly higher than the other groups. <sup>42</sup> One narrative on this was voiced by the former State Secretary: "It is important that you can move to an environment where there is UN presence already, you can buy into common services and by that have a more cost-efficient business case" (Interview D15.17). This cost-efficiency reason was a leading narrative of the organizational network. Other priorities were level of education of the labor force, physical infrastructure, and taxes. About the first, a Foreign Ministry actor stated that "organizations move to a location where the level of education is high, the staff is highly qualified here. Quite a few Danes work on UN contracts in the UN City. This is important that there are people here for the higher functions" (Interview D1.1). A much-discussed element was taxes. This component was crucial for the attraction of Sustainable Energy for All, as the organization requested a non-existent status for its employees. As one of the organizational network members said: "Organizations use the host state agreement to bargain for support, core support, and projects. They will use that

<sup>42</sup> A Kruskal Wallis H Test showed this: H(3) = 7.13,  $\rho = 0.072$ 

information to put pressure on their current host government" (Interview D1.1). The organizational network actor added: "For us it is important that the national authorities understand how important the presence of these IOs is, and that we have to walk the extra mile" (Interview D1.2). This actor referred to the internal lobby to emphasize to other departments the importance of hosting IOs and the drive required as an organizational network.

## Comparison of organizational and policy network in the failed case

The policy network rated physical infrastructure and taxes highest, and the Sustainable Energy for All organizational network rated level of education of the labor force and settling in higher. This was also manifested in the narratives. Many policy network members boasted about the highly educated workforce in Copenhagen. This was also something they thought the IOs considered interesting. Differences between the groups were that the policy network never mentioned the availability of the labor force and they rated the cost of hiring and digital infrastructure higher than the organizational network did. The organizational network attracting Sustainable Energy for All prioritized taxes. Figure 7.8 depicts these priorities.



**Figure 7.8** Sustainable Energy for All: priorities governmental groups (Copenhagen)

Comparison of organizational network and international representatives in the failed case The main overlaps between the Sustainable Energy for All-organizational network and the internationals were the focus on livability and physical infrastructure. The organizational network was focused on the so-called hard factors, such as taxes, political stability, and physical infrastructure – whereas internationals prioritized soft factors such as livability. One of the IO representatives said: "Looking at the Budapest example, that governments do go the extra mile to have the organizations on their territory" (Interview D25.28). What this means, is that they also found that the organizational network needs to take the process seriously and do everything they can to attract IOs successfully. It is striking that few priorities correspond, except for physical infrastructure and livability. Figure 7.9 shows the priorities of both groups.

To Representatives

Organizational network SE4AII

In Organizational netwo

**Figure 7.9** Sustainable Energy for All: organizational network and internationals (Copenhagen)

Comparing the priorities of all groups with correlation coefficients

The table below shows the overlap between how the groups rated the 20 locational elements. The organizational network attracting the Sustainable Energy for All showed a higher overlap with the policy network than the organizational network attracting the successful UNOPS-case did. This was an unexpected result. When looking at the overlap with international representatives, the successful case showed a higher overlap than the failed Sustainable Energy for All case, which I expected.

**Table 7.4** Correlations failed and successful groups on prioritizing locational elements Copenhagen

	Policy network	International Organizations
UNOPS organizational network	0.38**	0.54*
Sustainable Energy for All organizational network	0.55**	0.3

N=20. \* p < .05, \*\* p < .01. Based on 2-tailed Kendall's tau-b.

#### Conclusion

The results are only partly as expected. The differences between the organizational network attracting the UNOPS and policy network were about labor force availability and taxes which were rated higher by the organizational network. The Sustainable Energy for All organizational network showed higher overlaps with the policy network, both in priorities and narratives. The overlaps with the IO representatives were higher in the successful case. This was as expected, but the organizational network and the policy network show lower overlaps in the successful case, which I did not expect.

### 7.4 RELATIONAL PERSPECTIVE

#### Relational explanation Copenhagen's successful case

Level of network cooperation in the successful case: UNOPS

Although the rating of cooperation within the organizational network and between them and the policy network was average: 6,6 (N=8), the comments were not extremely negative. One of the policy network members said: "We meet on a regular basis and within International House, we meet all the time. Apart from some issues with the State Administration, the cooperation is quite good" (Interview D5.8). A problem a respondent identified was the bureaucracy: "if they need extra support we need to find out where and who to go to and that takes time, especially when you are just too late and have to wait for eleven months" (Interview D13.15). As it was a relatively new process for everyone, not everything went smoothly, argued another respondent: "There was internally a good cooperation, but between the local and the state level, it was sort of a mixture" (Interview D3.4). This Project Manager of UN City referred to the need for calibration between the different layers of government. When talking about cooperation, this respondent mentioned that the Department for Multilateral Cooperation was the main partner. He explained that the municipality was not involved, except for the International House (helping foreigners settle in): "We get assistance of them to get all the paperwork done. But if you are UN staff, then it is an issue for Protocol of the Foreign Ministry, but they

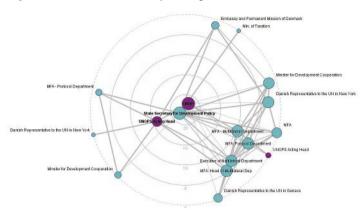
don't have the resources International House has, therefore sometimes issues take time" (Interview D3.4).

## Political process in the successful case: UNOPS

The rules of the policy game were clear to the organizational network of UNOPS Headquarters, but not to most members of the policy network. One of them, the project manager of UN City, replied that there is a "Gentlemen's agreement, part of this is that you do not attract from developing countries" (Interview D3.4). About the political process of attracting organizations, many network members referred to the lacking strategy of Denmark. As one respondent said: "I think that the rules are probably clear, but there is no strategy. Although I am working with the attraction of investors, talent, and companies, I am not informed about what the State wants; how do we want to be a hub of the UN? There is no plan" (Interview D4.5). The rules of the policy game related to competition were not clear to a project manager of the Mayor's office either. She questioned, "What does the competitiveness do, which factors are we competing on? Are we competing on price, are we competing on the weather, which we always lose? I think it is unclear. Sometimes another country is not better than us on those factors, but they win" (Interview D13.15). To many, the political process was a puzzle they could not solve, which can mainly be contextualized by the inexperience of the involved.

## Actor centrality in the successful case for Copenhagen

The following graph shows the UNOPS network actors during the attraction process. The nodes 'in the middle' were the State Secretary for Development Policy of the Foreign Ministry, the UN Development Program, and the acting head of UNOPS. The first two had a measure of 24 percent, the third of 16. This is a rough estimate, but it means that their paths were shortest between the other actors. They can be considered the most independent actors. The three less central actors were the Multilateral Department of the Foreign Ministry and the Protocol Department of the Foreign Ministry.



**Figure 7.10** Actor centrality during the attraction of the UNOPS Headquarters

Key:

Size of the nodes: bigger nodes have higher degree centrality (activity)
Node centrality: the higher the betweenness centrality (independency)
Links between the nodes: frequency of meetings (connected to node activity)
Colors: each color is a different type of node (network diversity)

**Table 7.5** Top five actors: Betweenness measures and node type UNOPS Headquarters

No	de	Betweenness centrality %	Degree centrality %	Node type (diversity)
1.	State Secretary for Development Policy	24	10	1. National level
2.	UN Development Program	24	10	2. UN/IO
3.	UNOPS Acting Head	16	6.5	UN/IO
4.	Foreign Ministry: Multilateral Department	9.6	8	National level
5.	Executive of Multilateral Department	6.6	8	National level

The nodes with the highest degree centrality and high activity were the State Secretary, the Executive of Multilateral Department and the Multilateral Department, all part of the Foreign Ministry. The UN Development Program was a big node as well; this UN program was a crucial negotiator. When looking at the edges or contacts and lines between the nodes, the State Secretary for Development Policy (Carsten Staur) shows four thicker edges representing the intensity of contacts, with the UNDP, the Permanent Representative in New York, the Executive of the Multilateral Department, and the Multilateral Department in general. Other thicker edges were found between the UNOPS acting head (Karsten Bloch) and the Protocol Department and between the UNOPS acting head and the Executive of the Multilateral Department, and between the Representative in Geneva and the Multilateral Department. The Minister for

Development Cooperation (Ulla Tørnæs) also shows intense contacts with Gilberto Flores and Jann Mattsson, both executive directors of UNOPS.

## Network diversity in the successful case for Copenhagen

When discussing network diversity, I found only two types of actors: fourteen on the national level (including three ambassadors and the State Secretary, blue), and three UN actors (purple). This number was particularly low and can be explained by the inexperience of Copenhagen and Denmark to attract UN Headquarters. Finally, the number of nodes was low (17 nodes). The negotiations with UNOPS made the main actors see that the establishment of a entire building for UN agencies was within reach.

## Relational explanation Copenhagen's failed case

## Level of network cooperation in the failed case for Copenhagen

The mean rating of the cooperation was relatively high: 7 (N=7). The substance of attracting and retaining IOs was better developed, and the subject of sustainable energy was close to the brand of Denmark and Copenhagen. One of the organizational network members, who rated the cooperation a 9, said: "The cooperation works when it is needed. If I want to handle something with the city, I see them" (Interview D9.11). About the cooperation one group member responsible for UN City at the Foreign Ministry thought there was "a bit of room for improvement" in the cooperation during the Sustainable Energy for All attraction process: "We had to explain what we were asking for and why the UN City was important to other departments, with the Ministry of Taxation for instance" (Interview D14.16). A formalized or weekly meeting would not have been more efficient, she said: "weekly meetings are a time killer" (D14.16). When talking about the rules of the policy game, she found them "rather clear, as we think it was a transparent process, what plays in was basically the fact of not being able to place the bid without reservation" (D14.16). From these observations about cooperation (mixed) and rules of the policy game (transparent but without clear strategy) the image of Copenhagen being willing but not persistent presents itself. Although the networks were better developed, the cooperation could be improved.

### Political process in the failed case: Sustainable Energy for All

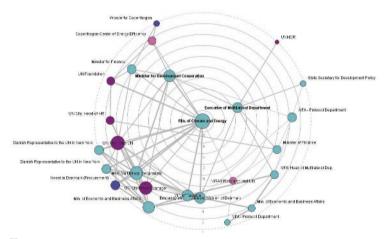
When the bid was placed, the Prime Minister called for elections and the government was interim for a while. About the political process and the rules of the policy game, one respondent said: "It shouldn't be too clear, right? The world changes so there are fundamental rules with that, and there might pop up issues when special agreements are to be made, but the rules are all written down in the host agreement" (Interview D9.11). The main problem during the Sustainable Energy for All-attraction, was the lack of space. The UN City was considered full and "we need some space to attract them. Then we can start professionalizing. It would be a different game if we had tens of thousands of places

to offer, instead of 400. We should think bigger" (D9.11). This meant that an internal lobby was needed about expanding the UN building. Another group member thought the rules of the policy game were a 5 for clarity, because Denmark and Copenhagen needed to have a more strategic and streamlined process and be more attentive to UN organizations. Many agreed that the rules of the policy game could be clearer, especially in the suasion of other entities within the Danish government – especially the Tax Ministry.

## Actor centrality in the failed case for Copenhagen

The actors with the highest betweenness centrality were the Ministry of Climate and Energy, and Executive of the Multilateral Department of the Foreign Ministry. These can be considered the most independent actors. Another node close to the middle was the Minister for Development Cooperation.

Figure 7.11 Actor centrality during the attraction of the Sustainable Energy (Copenhagen)



Key:

Size of the nodes: bigger nodes have higher degree centrality (activity)
Node centrality: the higher the betweenness centrality (independency)
Links between the nodes: frequency of meetings (connected to node activity)
Colors: each color is a different type of node (network diversity)

The nodes with the highest degree centrality were the Ministry of Climate and Energy, the Minister for Development Cooperation, and One UN of the UN City Building. Those had the most ties to other actors in the network and were the most active. The following table depicts the four nodes with the highest betweenness centrality. Those nodes exerted the most control over others.

**Table 7.6** Top five actors: Betweenness measures and node type Sustainable Energy (Copenhagen)

		Betweenness centrality	Degree centrality	Node type (diversity)
1.	Ministry of Climate and Energy	20	9.4	1. National level
2.	Executive of Multilateral Department	13	4	2. National level
3.	Minister for Development Cooperation	9.7	5.8	3. National level
4.	NIRAS Research Institute (NGO)	7.6	5	4. NGO
5.	Ministry of Taxation	6	5	5. National level

## Network diversity in the failed case for Copenhagen

The number of types of actors was four, which was low. Sixteen actors were from the national government (blue), four actors from the UN (purple), two actors from Public Private Partnerships (dark blue) and two NGOs (pink). The city representatives were missing in the network. The number of nodes was 25 in the case of the Sustainable Energy for All, which can be considered high.

#### Conclusion

The network cooperation was average in the UNOPS-case, but the meetings were regular, and the involvement was high. In the second case of Sustainable Energy for All the network cooperation was higher, but actors were critical, and some thought it cumbersome they still had to explain the importance of the UN to colleagues. The actor centrality showed mixed results in the UNOPS case: the structure of the network was sparse, not many actors were involved. In the second case more network actors were involved, but only one node was 'in the middle' and the actors did not show high activity. Network diversity showed a low number in the UNOPS-case and a slightly higher number in the failed case, which was not as expected.

### 7.5 CONCLUSIONS DENMARK AND COPENHAGEN

From an instrumental perspective, during the first case of the UNOPS Headquarters the bid was aligned with the policy goals to a low extent. In this case no elements were aligned with all the other policies. In the second Sustainable Energy for All case, I found clear links between the bid and the policies, which resulted in an average alignment. Again, this case shows that less alignment was more advantageous than more alignment between policy goals. When zooming in on policy perception, staffers noted that the city marketing was not visible to the UN during the UNOPS attraction. The nation branding was more visible and more effective in this group's opinion. In the second

case internationals were less positive about the brand of Denmark's strict stance on the refugee crisis. This had a carry-over effect on the host policies towards IOs in the sense that from 2016 onwards, CPR citizen service numbers were available to EU-members but not to non-EU members.

Discursively, the overlap of priorities and narratives between the organizational network and the policy network was higher in the failed Sustainable Energy case in the successful UNOPS case. This was not as expected. The overlaps between the narratives of the UNOPS organizational network and the policy network were low, especially as labor force issues were framed differently by the policy network. The overlap in prioritizing elements between the UNOPS organizational network and the international representatives was average, whereas the organizational network of the failed case showed a low overlap with the internationals. The internationals rated dual careers significantly higher than the other groups.

From a relational perspective, the UNOPS organizational network rated the cooperation lower than the Sustainable Energy for All organizational network, although network cooperation was talked about more positively when discussing the UNOPS case. In the second case, there was good cooperation within the network, but actors also needed to persuade other ministries at the highest level, which they failed to do. When discussing actor centrality, independency or betweenness centrality seemed to have played a role. In the failed case, only one actor showed a high centrality and in the successful case, there were three actors in the middle. A high degree centrality, showing their activity based on the frequency of meetings, seemed to be related to success. The number of nodes was low in the successful case and average in the failed case. The network diversity was not as expected either: the successful UNOPS case showed two different types of actors and the failed Sustainable Energy for All case four.