The European Administrative Space – Some considerations for Consequences for Public Law in Europe

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I. Reconstructing the Emergence of the EAS and the rise of Integrated Administration.........................................................................................................................2
II. One important effect: The pluralization of actors in EAS ..................6
III. European Administration: A Cooperative System......................................8
IV. The Future of the Integrated European Administration.............................13

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This contribution to the NISPACee conference presents, in very broad strokes, an overview over the ‘European Administrative Space’ (EAS) and its development in the past decades as well as likely future challenges to public law. The term EAS used here is metaphorical in that the notion of ‘space’ relates not only to the context of describing the territorial reach of administrative powers beyond national borders, the term space is in the context of a policy field, or ‘area’ in much the same way as the Treaty on the Functioning of the European Union (TFEU), for example refers to ‘areas’ such as the ‘area of freedom, security and justice’. The use of the word ‘space’ or ‘area’ is used here to indicate the existence of a more or less integrated legal field in which national and European administrations closely cooperate to achieve jointly defined objectives and by close procedural cooperation. The following considerations aim to present an understanding the EAS as a space of integrated law and practice of implementation of EU law. Since the development of the EAS is ongoing, its comprehension is greatly facilitated by an understanding of the forces that have led to the EAS’s evolution until now and of the driving forces which shall shape the development of the EAS in the near and medium term future. On this basis, it will be possible to prepare for future challenges, identify shortcomings and to develop possible remedies for its main flaws.

I. Reconstructing the Emergence of the EAS and the rise of Integrated Administration

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The European administration as we know it today has not developed over night. Instead, it has been established in various phases of integration leading away from a purely territorially bound exercise of public policies in Europe towards today’s more integrated law making and implementation thereof in many policy areas. Importantly, European integration has over time not only led to an opening-up of the political and legal systems of a Member State vertically towards accepting the influence of EU law within the Member States, but also horizontally in the sense of an opening towards accepting de-territorial application of legal acts of other Member States.

The vertical opening of states towards EU law historically came first in the context of the implementation of the principle of primacy of EU law requiring the setting aside of conflicting national law as well as Member States accepting the potential direct effect of EU within their territory which allows for rights and obligations to be created directly under EU law without the need for transposition in Member State law. Finally, the obligation of interpretation of national law in conformity with EU law obligations and rights helped streamline Member State legal systems towards a single legal space. Nonetheless, however powerful these influences have been on the Member State legal systems, the vertical opening of the Member States towards EU law remains in principle limited to each individual Member State and the territorial reach of its sovereignty. This is the origin of the model, commonly cited until today, between, on one hand, direct administration of EU law by Union institutions as opposed to, on the other hand, indirect administration of Union law by Member State administrations within their territory.

Horizontal opening-up of Member States started in the mid-1970s case law of the European Court of Justice (now the CJEU) by means of introducing the

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5 This part of the chapter is based on previous publications such as: HCH Hofmann, ‘Mapping the European Administrative Space’ (2008) 13 West European Politics 662; also published as HCH Hofmann, ‘Mapping the European Administrative Space’ in M Egeberg and D Curtin (eds) Towards a New Executive Order in Europe (Routledge 2009) 24-38; HCH Hofmann, GC Rowe and A Türk Administrative Law and Policy of the European Union (OUP 2011) pp. 5-11.

4 Case 26/62 Van Gend en Loos v Administratie der Belastingen [1963] ECR 3, paras. 10, 12, 13; Case 6/64 Costa v ENEL [1964] ECR 585, para. 3. This was so established irrespective of the nature of the law, whether primary (treaty) law, derived secondary law, or individual decisions of administrative nature.
obligation that Member States mutually recognise administrative and legislative decisions of other Member States. This process is sometimes described as ‘negative’ integration as opposed to positive integration driving by EU legal acts harmonising divergent national provisions. This development was spurred by the recognition of rights of individuals, mainly in the field of the fundamental freedoms of the EC Treaty *vis-à-vis* Member States, leading, in reality, to administrative decisions of one Member State having *de facto* trans-territorial reach in others. The admission of medicines or certain food products serve as examples for such de-central application of EU law with trans-territorial decision making in which a marketing authorisation by one administration in the EU has effect within the entire internal market. Thereby, with increasing European integration, the distinction between the ‘inner sphere’ of a state governed by territorially restricted public law and its ‘outer sphere’ governed by foreign law and public international law has become much less pronounced within the EAS. The real nature of EU law as a unique legal system is in part to be found in the obligations of not only vertical but also horizontal opening of state structures.

These developments are the foundations of the current phase of fast-paced development of the EAS we currently are still witnessing. The ‘third phase’ of development marks an important shift in the legal and political environment by the move towards what can be described as an ‘integrated administration’ in Europe. Horizontal opening of Member States towards law of other Member States law in the form of legislative acts, administrative acts, and to some degree private law required information exchange - either sporadic and *ad hoc* mutual

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6 In Case 104/75 *de Peijper* EU:C:1976:67, for example, the ECJ limited the possibility of a Member State to carry out an administrative procedure already undertaken in another Member State. That would be a disproportionate limitation of the fundamental freedom. Where there were similar requirements for administrative procedures in two Member States but no harmonisation, the ECJ went a step further and requested national administrations to make contact to establish the necessary information, Case 251/78 *Denkavit Futtermittel* EU:C:1979:252. Case 35/76 *Simmenthal v Ministero delle Finanze* italiano EU:C:1976:180 provided for the obligation of a Member State to accept the veterinary certificates of another Member State in the case of an investigation procedure harmonised by a directive. Case 120/78 *Rewe Central Ag v Bundesmonopolverwaltung für Branntwein (Cassis de Dijon)* EU:C:1979:42, paras 8 and 14.

assistance obligations or by means of more permanent information exchange systems. With the ‘deepening’ ie further development of the internal market, many policy-specific sectoral regulatory areas, such as those for value added tax, the Schengen-zone, environmental law and others required ever more sophisticated tools of permanent cooperation for setting of rules for implementation of EU law as well as for continuous cooperation by administrations. Typical duties include regular reporting duties, participation in joint planning structures, and coordination of implementation through committees on the European level – within the framework of comitology or otherwise through expert committees. Key administrative functions are now undertaken in an increasing number of policy areas, involving input from several administrative actors both from the Member States and the European level, tied together through procedural provisions emanating from EU law. The development of vertical and horizontal relations can therefore be understood as stepping stones towards the creation of an integrated network of administrations. Throughout the developments in these three phases, Member States have opened up and deeply integrated into a European system in which they have gained in-depth access through their administrative actors into law-making on all levels - legislative, executive and judicial. The possibilities of this very effect, however, sets EU Member States apart from states which are in Europe but are not members of the EU, such as for example EFTA-members that by opting to accept only parts of EU law, predominantly internal market law, pay for this choice by being in many respects excluded from participation in normative activity affecting their constituencies.

Some of the most striking developments of the ‘third phase’ of the development of integrated administration are organizational innovations such as the ‘agencification’ of EU administration. More generally speaking, much of the administrative integration on the EU level is the creation of regulatory acts with quasi-legislative effect, not the traditional single case decision making associated with the concept of ‘administration’ in some Member States. This also explains why administration in the EAS in some ways appears as a highly political endeavour, setting regulatory goals and choosing the means to achieve them even
in matters with a high degree of technical expertise yet with an immediate influence on value choices in society.

II. One important effect: The pluralization of actors in EAS

One of the effects of the development of the EAS is that the ‘European administration’, a concept prominently referred to in Article 298 TFEU, contains both EU institutions, bodies and agencies as well as Member State bodies involved in the implementation of EU law and policies. The European administration has in the past decades become more multidimensional and diverse with a marked development towards the phenomenon of ‘pluralization’ of actors. Two main phenomena contribute to such pluralization. First, in the EU, executive powers for implementation of EU policies are split between Member States and the EU and thus networks of regulatory actors have to be created to ensure joint implementation of law and policies. This phenomenon is, secondly, reinforced by an increase in regulatory matters subject to a coordinated approach in the EU but in the reality of an increasingly multi-speed integration process.

Regarding the first issue, agencies, exercising administrative functions in various areas of EU policies, are created as bodies with separate legal personality from the Member States or from the EU.8 Many European agencies have been created as decentralized forms of administration that integrate national administrative bodies into their operations. They generally provide structures for co-operation between the supranational and national levels and between the national authorities. At the same time, EU law requires Member States to create independent agencies linked into the EAS such as, for example, independent data protection authorities or independent regulatory authorities in the field of energy of telecommunications supervision.

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8 Some agencies are also created as public-private partnerships. Examples are the European Institute of Innovation and Technology (EIT) [2008] OJ L97/1, the various joint undertakings in the area of research such as the fusion energy model ITER [2007] OJ L90/58, and the Fusion for Energy agency of the EU to support it; SESAR for air traffic management [2007] OJ L64/1 as amended and Galileo for satellite navigation [2008] OJ L196/1. These bodies are created as joint undertakings under Art 187 TFEU.
The phenomenon of the use of independent agencies as structural tool for implementation of EU law or EU policy goals can at least in part be explained by the fact that the implementation of EU policies within the EAS requires networks of national authorities. Importantly, the use of agencies and networks allows national and sub-national actors to remain nominally in charge of final decision-making whilst in the background EU agencies structure the procedural cooperation in the implementation of EU policies.

Another way in which the EU polity has evolved in recent years is in the nature and breadth of the tasks it performs. This influences the growth of and diversity of actors who perform them. This, second, dimension of a pluralization of actors and policies is thus linked to the broadening of policy objectives touched by EU law. But also, the growing membership of the Union to 28 Member States, mostly of small size, with increasingly diverse systems of administration and historic constitutional paths and developments has in itself further contributed to a pluralization of actors not least because the increasing diversity of EU membership has brought with it an increasing need for multi-speed integration. Official or unofficial opt-outs and partial participation in policies of the EU as well as cooperation in EU policies such as Schengen, by non-EU Member States causes its own problems of defining the territorial reach, the modes of application and the identity of the matter of ‘space’ in the EAS.

The result of these different aspects of pluralization of conditions can conceptually be summarised as follows: Organizationally, the actors involved in European administrations, including the agencies created on the EU or on the Member State level, remain separate, being organized either on the national or the European level. In principle there are, legally speaking, no mixed types of institutions both under EU law and national (public) law. All legal acts of the European administration are formally either qualified as national or European. From an outsider’s perspective, therefore, despite all the moves towards an integrated European administration, not too much has changed from the status quo

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ante in the 1950s. When administrative functions are undertaken on the European level, their exercise is organizationally fragmented insofar as executive authority on the EU level is spread across several institutions, most notably the Commission and the Council, which are increasingly supported by EU agencies.

From the ‘inside’ however, the system is held together by procedural law. In this, an administrative space is created in which joint creation of law and its implementation is a reality. Limitations on autonomy of Member States arise from the fact that, in the fields of Union policy, Member States’ substantive and procedural administrative law is to be applied within the framework of EU law.

III. The Development of European Administration as a Cooperative System

European administration is thus now a highly integrated system striving to realise a system of values described by Harlow and Rawlings as basic principles of ‘cooperation, coordination and communication’.10 These values remain valid as design characteristics of procedures, despite the ever more prevalent approaches of control and conditionality in the post-2008 crises response mechanisms. Procedural cooperation within the European administrative space is a key dimension for linking the various actors in the common goal of implementation of policies.

The integration of administrative systems for implementing EU law has taken place irrespective of the diversity of the ‘tasks with which executive authorities are entrusted and the diversity of the institutions, bodies, and actors responsible for carrying out such tasks; and of the processes through which administrative measures are adopted’.11 Also in the EU, no overarching approach exists which can be applied to interlocking legal and political systems and sub-systems when implementing EU law. The EU has not so far undertaken the important structural

step of adopting, other than for comitology committees through the Comitology regulation and in the form of a Financial Regulation for spending of its budget, an administrative procedure act applicable throughout policy areas.

Cooperation between diverse actors and across the different levels is an essential component of European administration. Administrative cooperation takes place in policy areas in which responsibility for implementation rests on the European level, and also in fields where, in the absence of EU administrative capabilities and competences, Member State authorities are responsible. These procedural linkages can be highly developed, for example through composite procedures in which actors from various jurisdictions both national and European contribute to the final decision taken by one single actor or by simple forms of information exchange.

Diverse forms of procedural cooperation for the implementation of EU law through national and European bodies is often referred to as ‘shared administration’. The terminology was made widely accepted by the Committee of Independent Experts set up by the European Parliament and the Commission to investigate alleged misconduct of the Santer Commission in 1999. It referred to as ‘shared administration’, administrative procedures consisting of forms of administrative cooperation for the management of Union programmes where the Commission and the Member States have distinct administrative tasks which are interdependent and set down in legislation and where both the Commission and the national administrations need to discharge their respective tasks for the Community policy to be implemented successfully.

Shared administration – ie networks maintained by procedure – pose specific problems for oversight and accountability by their characteristics as mixed or hybrid models of

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12 It should be noted that there is in fact a mismatch between the allocation of functions and administrative resources to the Commission when compared with those available to national bureaucracies, with the Commission equaling in size the administration of a major European city: H Kassim, ‘The European Administration: Between Europeanization and Domestication’, in J Hayward and A Menon (eds), Governing Europe (OUP 2003) pp. 139-161, p. 151.

implementation. But hybrid and composite procedures are increasingly frequent in joining organizationally separate but procedurally linked networks of authorities.14

The procedural obligations underlying administrative networks for implementation of EU law consist of obligations of different intensity. They range from obligations to exchange information either on an ad hoc or a permanent basis with network structures which have been developed to include forms of implementation such as individually binding decisions.15 Therefore, a different and in my view currently promising approach to describing procedural cooperation consists of a focus on information management procedures.16

The starting point for a wider notion of procedural cooperation lies in conceptualizing the flow of information between the participant bodies in the network on the European and national levels. This derives from the fundamental idea that most forms of procedural cooperation in implementing EU policies are based on the joint production, gathering and management of information and/or exchange of information. Information exchange mechanisms are established in numerous fields of EU law and policies, generally on internal market matters, as well as in the area of many policy fields such as in food, plant and medicine health and safety regulation.17 Another important area of such common alert systems is

14 This has been referred to as ‘regulatory concert’, see: S Cassese, ‘European Administrative Proceedings’ (2004) 68 Law and Contemporary Problems 15, 21.
17 See in that respect eg the Internal Market Information System (IMI) with various functionalities for effective information exchange (Regulation (EU) 1024/2012 on administrative cooperation through the Internal Market Information System, etc [2012] OJ L316/1).
the Schengen information system and related instruments for immigration and border control mechanisms. Most prominently, information exchange and alert systems exist in the area of tax and recovery of public payments but also in the fields of customs. The transfer of information and evidence within enforcement networks can also lead to the necessity of an allocation of enforcement responsibilities in cases where several Member State bodies might be responsible. Examples are the allocation of responsibilities distributed on this basis in fisheries and environmental law. Enforcement in the fields of competition law and merger control are also prominent examples for such allocative rules.

In a seminal article of 1996 Schmidt-Aßmann described various forms of such administrative cooperation ranging from ad hoc single-case information-exchange to settled procedures involving ongoing administrative cooperation. More recently, the ReNEUAL Model Rules on EU Administrative Procedure have developed a model of EU administrative procedure law on this basis. Conceiving


21 See for example Art 50(5) and (7) of Regulation (EC) 1013/2006 on shipment of waste [2006] OJ L190/1, which provides that ‘5. Member States shall cooperate, bilaterally or multilaterally, with one another in order to facilitate the prevention and detection of illegal shipments.’ 7. At the request of another Member State, a Member State may take enforcement action against persons suspected of being engaged in the illegal shipment of waste who are present in that Member State’.

22 Eg Art 9 on the referral of merger control cases to the authorities of the Member States in Council Regulation (EC) 139/2004 on the control of concentrations between undertakings (the EC Merger Regulation) [2004] OJ L24/1.


24 www.reneual.eu. The results of the project have been published in English language online on the ReNEUAL website and in Spanish as Código ReNUEAL de procedimiento administrativo de la Unión Europea (INAP 2015), in German as ReNEUAL – Musterentwurf für ein EU-Verwaltungsverfahrensrecht (Beck 2015), in Polish as ReNEUAL Model kodeksu postępowania administracyjnego Unii Europejskiej (Beck 2015) and in Italian as Codice ReNUEAL del procedimento amministrativo dell’Unione europea (Editoriale Scientifica 2016) with French and Romanian language versions to follow in 2016.
of information (including its generation, management and distribution) thus as a legal topos, the need for institutional routines in the form of legally defined structures of administrative cooperation — horizontally — between the Member States themselves and — vertically — between the Member States and the Union bodies is the fundamental approach of this concept. Cooperative procedures which have been developed in this context include certain forms of implementation such as individually binding decisions and joint planning procedures. Key to composite procedures however is the information cooperation discussed in ReNEUAL’s ‘Book VI’ which provides for innovative approaches as to how to address some of the central information-related shortcomings of composite procedures in the EU – most of which centre around the matters of accountability, judicial review and remedies.

Although scholars of European administrative law have recognized the increasing importance of information exchange, the discussion still appears to be at an early stage. Although composite administrative procedures allow for using existing national administrative infrastructure, they can be highly problematic from the point of view of accountability. One problem is transparency, especially since inter-administrative information exchange makes a clear allocation of responsibilities that depends on a clear definition of functions and tasks difficult. Without such clear allocation and definition, any form of anticipatory or


subsequent accountability tools, such as design of procedural safeguards as well as effective judicial review is severely restrained.28

IV. The Future of the Integrated European Administration

In my view, the two main themes that have dominated the evolution of the European administrative space will probably continue to do so in the future. One is the question of accountability of a system on which actors organized on different levels engage in composite decision making procedures. Another is the question of values which govern the system of integrated administration.

In the EU, and the EAS more generally, the problem is that most structures of judicial and political accountability are organized on either the national or on the European level. Supervisory and accountability mechanisms are generally not procedurally linked in the same way as integrated administration is. Traditionally organized supervisory structures, with a two-level system with distinct national and European levels, have difficulty in allocating responsibility for procedural errors and finding adequate remedies for maladministration within a network. Therefore, exclusive reliance on ex post review of a final act for example by Courts of the level – Member State or EU, which has issued the final act following a composite procedure – is problematic. A strong set of tools of accountability capable of addressing the real-life problems arising from information exchange and composite procedures would be necessary to secure individual rights and freedoms.

Holding actors to account, however, requires a set of values and criteria for assessing the action. Here much clarification is necessary and the development is

ongoing. The vast array of actors, forms of acts and applicable procedures within European administration make it difficult to assess to what extent constitutional values infuse the integrated administrative activity, and, more precisely, how general principles are complied with across the legal system.\textsuperscript{29} Requirements for accountability become particularly urgent in cases where administrative networks have been created within the European integrated administration which act on matters particularly sensitive to fundamental rights.\textsuperscript{30}

\textsuperscript{29}See for further discussion regarding rule-making: D Curtin, HCH Hofmann and J Mendes, ‘Constitutionalising EU Executive Rule-Making Procedures: A Research Agenda’ (2013) 19 ELJ 1, 3.