2006 discharge: Translation Centre for the bodies of the European Union CdT

2007/2053(DEC) - 15/11/2007

PURPOSE: presentation of the report by the Court of Auditors on the 2006 annual accounts of the Translation Centre for the Bodies of the European Union.

CONTENT: the report indicates that the appropriations entered in the Centre's budget for the financial year in question are **EUR 40.876 million**, EUR 26.847 million were committed and EUR 23.961 million paid. Of this overall amount, EUR 2.886 million was carried over to 2007 and EUR 14.029 million was cancelled.

The Court notes that the annual accounts are reliable in all material respects and that the underlying transactions of the Centre's accounts, taken as a whole, are legal and regular.

Analysis of the accounts by the Court: in 2006, the Court indicated that the accumulated budget surplus was EUR 16.9 million. In 2005 it was EUR 10.5 million and in 2004 it was EUR 3.5 million. In 2007, the Centre will refund EUR 9.3 million to its clients. This **accumulation of surpluses** shows that the method for pricing its translations is not precise enough. The Court also indicates that in one case (with a value of EUR 320 000), a legal commitment was made prior to the budget commitment, in breach of the Financial Regulation.

Lastly, the Court indicates that the written guidelines necessary for the assessment of candidates did not exist. In the recruitment procedure for translators, the Centre failed to provide written evidence of the rules applied for the evaluation of the candidates' files.

The Centre's replies: the Centre replies to all of the criticisms one by one and indicates that it is aware of the increase of its budget surpluses. To prevent this situation from arising in the future, the Centre indicates that it will do its utmost to improve the method for calculating prices. Moreover, as this method requires an estimate of the foreseen demand for translation, the Centre will encourage its clients to improve their forecasts.

The Centre also indicates that it has adapted its procedure to prevent the absence of a prior budget commitment.

In addition, the Centre will study ways to improve its recruitment procedure to take the Court's remark into account.