2010 discharge: Translation Centre for the Bodies of the European Union (CdT)

2011/2219(DEC) - 11/04/2012 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Monica Luisa MACOVEI (EPP, RO) on discharge to be granted to the Director of the Translation Centre for the Bodies of the European Union in respect of the implementation of the Centre's budget for the financial year 2010.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the annual accounts of the Translation Centre for the Bodies of the European Union for the financial year 2010 are reliable and that the underlying transactions are legal and regular, Members approve the closure of the Centre’s accounts for the financial year 2010. However, they make a number of recommendations that need to be taken into account when the discharge is granted, in addition to the general recommendations that appear in the draft resolution on performance, financial management and control of EU agencies:

- **Budgetary and financial management**: Members acknowledge that due to the higher total number of pages translated in 2010, the revenue of the Centre rose to EUR 51.2 million in 2010, an increase of 13.71% compared to 2009. They note that for the financial year 2010 the Centre's accumulated 2009 surplus amounted to EUR 24 million even though the Centre managed to reduce the aforementioned surplus to EUR 9.2 million. Members welcome the settlement of the long-lasting dispute between the Centre and the Commission on the question of the employer's contribution to the Union's pension scheme;
- **Procurement procedures**: Members call on the Centre to establish stronger controls in the process of procurement planning;
- **Human resources (HR)**: Members highlight new weaknesses in the recruitment procedures even if improvement have been made;
- **Performance**: Members welcome the Centre's increase of its services, in terms of volume of translation, to the Union institutions compared to 2009, and notably the increase by 20.1% of the number of translated documents, while its budget was reduced by 11.98% compared to the previous year. They acknowledge that during the financial year 2010 around **55% of the total volume of pages translated was outsourced**. They call on the Centre to analyse the current data flow and tools used for budget planning and establish controls. Members also encourage the Centre to apply minimum requirements for forecasting information and enhance the cooperation and exchange on forecasting with selected clients, in order to avoid overestimate of expenditure and pricing;
- **Internal audit**: Members note that 12 "very important" recommendations from the IAS were still open as at 31 December 2010. They call on the Centre to explain those delays to the discharge authority and to remedy the situation. They note that the IAS final audit follow-up report revealed that 41 recommendations were made, 29 recommendations were still in progress. They call for the optimisation of the organisational structure and related cost reduction; the coordination of the IT risk assessment exercise and the facilitation and advice for the Centre's annual risk management exercise.