2016 discharge: Translation Centre for the Bodies of the European Union (CdT)

2017/2153(DEC) - 26/03/2018 - Committee report tabled for plenary, single reading

The Committee on Budgetary Control adopted the report by Bart STAES (Greens/EFA, BE) on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union (CdT) for the financial year 2016.

The committee called on the European Parliament to grant the Director of the Centre discharge in respect of the implementation of the agency's budget for the financial year 2016.

Noting that the Court of Auditors stated that it had obtained reasonable assurance that the annual accounts of the Centre for the financial year 2016 were reliable and that the underlying transactions were legal and regular, Members called on Parliament to approve the closure of the Centre's accounts.

They made, however, a number of recommendations that needed 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:

- **Centre's financial statements**: Members noted that the final budget of the Centre for the financial year 2016 was EUR 50 576 283, representing an increase of 2 % compared to 2015.
- **Follow-up of the 2015 discharge**: Members strongly regretted that the Centre does not yet have a **business continuity plan** in place and thus is not complying with Internal Control Standard. The Centre is urged to inform the discharge authority about further action;
- **Budget and financial management**: monitoring efforts during the financial year 2016 resulted in a budget implementation rate of 89.37 %, representing an increase of 1.21 % compared to the previous year. Members noted that cash and short term deposits held by the Centre decreased to EUR 34.2 million (compared to EUR 38.3 million at the end of 2015) and reserves decreased to EUR 31.1 million compared to EUR 34 million end of 2015). This decrease results from a budgetary approach which intends to reduce the accumulated surplus from previous years. Members acknowledged that, according to the Centre, it envisages that the decrease of the budgetary surpluses will be further accelerated in 2017 as a result of the implementation of the new pricing structure that will decrease the average price for translation paid by the Centre's clients.
- **Commitments and carry-overs**: Members noted that the Centre slightly reduced the overall rate of committed appropriations carried over to the following year from 9.63% in 2015 to 7.56% in 2016, representing a 2.07% decrease.
- **Performance**: Members noted the review of the client satisfaction system in order to develop a more effective process for engaging with clients. They also noted with satisfaction that the Centre adopted a **new translation quality assurance action plan** for 2015-2016. A 98.2 % achievement implementation rate was noted. The focus was placed on the implementation of a new corpus management tool (MultiTrans) and the automation of the information flow on related translation requests via the new workflow tool, eCdT.

Members also made a series of observations regarding commitments and carry-overs, staff policy, internal audits, the prevention and management of conflicts of interests and performances of the Centre.

They noted the fact that the Centre has so far complied with the target of a 5% staff reduction (plus 5% as a “cruising speed” agency) from 2014 to 2018. They insisted that the Centre must have the resources required to deliver a first-class translation and language service and **advised against future cuts** to the Centre’s budget or establishment plan.