

| Basic information | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 2006/2160(DEC) DEC - Discharge procedure 2005 discharge: Translation Centre for the Bodies of the European Union Subject 8.70.03.07 Previous discharges | Procedure completed |

| Key players | | | |
|-------------------------------|----------------------------------------------------------------------------------|---------------------|------------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | CONT Budgetary Control | HERCZOG Edit (PSE) | 20/04/2006 |
| Council of the European Union | Council configuration | Meetings | Date |
| | Economic and Financial Affairs ECOFIN | 2787 | 2007-02-27 |
| European Commission | Commission DG | Commissioner | |
| | Budget | KALLAS Siim | |

| Key events | | | |
|------------|--------------------------------------------|---------------------------------------------------------------------------------------|---------|
| Date | Event | Reference | Summary |
| 31/10/2006 | Non-legislative basic document published | N6-0028/2006 | Summary |
| 29/11/2006 | Committee referral announced in Parliament | | |
| 26/03/2007 | Vote in committee | | Summary |
| 30/03/2007 | Committee report tabled for plenary | A6-0101/2007 | |
| 24/04/2007 | Decision by Parliament | T6-0119/2007 | Summary |
| 24/04/2007 | Results of vote in Parliament |  | |
| 24/04/2007 | Debate in Parliament |  | |
| 24/04/2007 | End of procedure in Parliament | | |
| 15/07/2008 | Final act published in Official Journal | | |

| Technical information | |
|----------------------------|----------------|
| Procedure reference | 2006/2160(DEC) |

| | |
|-----------------------------------|---------------------------|
| Procedure type | DEC - Discharge procedure |
| Legal basis | Rules of Procedure EP 102 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | CONT/6/42412 |

| Documentation gateway | | | | |
|-----------------------------------------------------|------------------------------------|------------------------------------------------------------------------------|----------------------|-------------------------|
| European Parliament | | | | |
| Document type | Committee | Reference | Date | Summary |
| Committee draft report | | PE384.439 | 09/02/2007 | |
| Amendments tabled in committee | | PE386.411 | 08/03/2007 | |
| Committee report tabled for plenary, single reading | | A6-0101/2007 | 30/03/2007 | |
| Text adopted by Parliament, single reading | | T6-0119/2007 | 24/04/2007 | Summary |
| Council of the EU | | | | |
| Document type | | Reference | Date | Summary |
| Supplementary non-legislative basic document | | 05711/2007 | 07/02/2007 | Summary |
| Other institutions and bodies | | | | |
| Institution/body | Document type | Reference | Date | Summary |
| OS | Non-legislative basic document | N6-0028/2006 OJ C 266 31.10.2006, p. 0025 | 31/10/2006 | Summary |
| CofA | Court of Auditors: opinion, report | N6-0001/2007 OJ C 312 19.12.2006, p. 0001 | 19/12/2006 | Summary |

| Additional information | | |
|----------------------------------------|--------------------------|----------------------|
| Source | Document | Date |
| European Commission | EUR-Lex | |

| Final act | |
|------------------------------------------------------------------|-------------------------|
| Budget 2008/0519 OJ L 187 15.07.2008, p. 0122 | Summary |

2005 discharge: Translation Centre for the Bodies of the European Union

2006/2160(DEC) - 31/10/2006 - Non-legislative basic document

PURPOSE: presentation of the final accounts of the Translation Centre for the bodies of the European Union for the financial year 2005.

CONTENT: this document published in the Official Journal of the EU sets out a detailed account of the implementation of the 2005 budget, including the revenue and expenditure and the balance sheet for the year concerned.

According to this document, the final budget amounted to **EUR 27.9 million**.

As regards the staffing policy, the Centre, which is based in Luxembourg, officially set out 181 posts in its establishment plan. 163 posts are currently occupied + 12 other posts totalling 175 posts assigned to operational, administrative and mixed duties.

Staff expenditure amounted to EUR 14 million in 2005.

The Centre's role is to provide the EU bodies, and any other EU institutions and bodies which call upon its services, with the translation services necessary for their activities. During 2005, the Centre:

- translated **505 438** pages representing a major increase compared to 2004). The number of pages per language: 501 475 in the official languages and 3 963 in other languages;

- translated 496 665 pages for the EU bodies and 8 773 pages for the institutions with 226 822 pages translated freelance.

The complete version of the final accounts may be found at the following address:

<http://www.cdt.europa.eu/cdt/ewcm.nsf>

2005 discharge: Translation Centre for the Bodies of the European Union

2006/2160(DEC) - 19/12/2006

This report from the Court of Auditors concerns the annual accounts of the Translation Centre for the bodies of the European Union for the financial year ended 31 December 2005.

The Court is of the opinion that the Centre's accounts for the financial year 2005 are, in all material respects, reliable. The transactions underlying the Centre's annual accounts, taken as a whole, are legal and regular.

The report shows that the appropriations entered in the final budget amount to **EUR 27 963 000** with EUR 23 831 000 committed and EUR 21 681 000 paid. EUR 2 152 000 was carried over to 2006 and EUR 4 132 000 was cancelled. The outstanding commitments carried over from the previous year amount to EUR 1 754 000 with EUR 1 670 000 being paid.

The Court observes that for the financial year 2005, the overall rate of implementation for commitment appropriations was over 90 % and the same was true for payment appropriations. Nevertheless, underutilisation was noted with regard to expenditure on administration (Title II), less than 75 % of the appropriations for which were committed, and 24 % of commitments were carried over. Furthermore, for the same expenditure, more than 50 % of the total commitments carried over from the previous year were cancelled. Such a situation indicates a qualitative weakness in the programming of administrative expenditure.

The appropriations for freelance translators' fees of EUR 7 million, more than a quarter of the budget, are committed in the form of several global commitments. These commitments, as such, are subject to ex ante verification and subsequently give rise to specific commitments to many individual service providers.

However, these specific commitments, for amounts which may not be negligible, are not subject to ex ante verification. In view of the associated risks, these specific commitments should also be subject to ex ante verification.

The Centre is responsible for administering and developing a database (IATE) in conjunction with the EU Institutions, which meet part of the costs. The agreement on the division of costs associated with IATE says nothing about intellectual property rights. This omission must be rectified so that account can be taken of its value in the assets of the Institutions concerned.

In its Annual Report on the Centre for the financial year 2004, the Court made an observation concerning the longstanding conflict between the Commission and the Centre about the Centre's payment of the employer's portion of pension contributions for its staff. The Court reiterates its call for this conflict to be settled as soon as possible.

The Centre responds point by point to the Court's observations and states that the lack of regularity in requests for translation, together with a marked increase in the field of Community trade marks, created a climate of instability throughout 2005, forcing the Centre to postpone a number of projects provided for under Title 2 (operating costs). It will ask the Interinstitutional Committee for Translation and Interpretation to resolve the issue of ownership of the IATE database.

Lastly, at its meeting of 22 March 2006, the Management Board of the Centre adopted an opinion in which it reiterated that it was 'well aware of the importance of settling this matter once and for all and calls on the European Commission to agree, together with the Centre, to an arbitration procedure in order to reach a settlement'. The Centre will keep the Court apprised of any developments in this matter.

2005 discharge: Translation Centre for the Bodies of the European Union

2006/2160(DEC) - 27/02/2007

The Council, on the basis of intensive preparatory work, approved a recommendation on the discharge to be given to the Directors of the 16 European Union agencies for implementation of their budget for 2005. The recommendation will be submitted to the European Parliament, in accordance with the budgetary discharge procedure.

The Council makes reference to the **Court of Auditors report on translation expenditure** (see summary of the document annexed to the Commission's discharge procedure [DEC/2006/2070](#) dated 8 February 2007 06162/2007). It adopted the following conclusions:

Firstly, it states that it welcomes the Court's special report on translation expenditure - which amounted to EUR 511 million in 2005 - incurred by three institutions in particular as it covers the period of the accession of 10 new Member States, increasing the number of official and working languages to 21. In this context, it underlines the importance of the translation of documents in a European Union **multilingual environment** with equal treatment of the languages of its Member States.

It emphasises that translation demands are to be met in time and in adequate quality, as an essential part of the legislative process keeping the cost under control as well as having adequate procedures to give priority to essential translations which implies efficient and effective management of translation resources. It regrets, however, that in some cases politically important information which should be translated has been included in non translated annexes of documents.

The Council notes with satisfaction that the Court of Auditors stated that the institutions have generally met translation needs in the EU-15 languages in required quality inter alia by recourse to freelance translators. It regrets that all three institutions have faced structural difficulties in providing a sufficient volume and acceptable quality into the EU-10 languages. It expects the institutions to further enhance the degree of multilingualism as regards the information provided on their websites.

Moreover, the Council regrets the fact that the institutions, with the exception of the Commission for 2002, have not calculated their total costs or the average cost per page translated and invites them to do so from now on and inform the budgetary authority on a regular basis.

It notes with concern the fact that the productivity of the EU translation services is much lower than in the private sector, partly due to more effective use of IT tools in the private sector, although the quality of internal translation is recognised to be higher. It notes the long term action plan by the Council General Secretariat to increase its productivity by reducing the number of "full-time equivalent" in the EU-15 language units.

Inter-institutional cooperation: the Council advocates inter-institutional cooperation being reinforced to all institutions in order to improve the efficiency and the procedures and to reduce the costs in the field of translations. It urges the institutions to set up proper forecasting system and improve the system of workload balancing in order to make better use of spare capacity and to avoid unnecessary outsourcing. In 2005, according to the Court, EUR 11 million of freelance translation costs could have been saved by the Commission and by the Parliament by giving the non-urgent documents to be translated for other institutions. It regrets that it was not possible for the institutions to recruit enough translators in EU-10 languages which has resulted in quality and deadline problems in the EU-10 translations and it recommends that sufficient EU-10 translator resources should be ensured by measures increasing awareness and fostering interest in the Community's translation activity in the EU-10 Member States and other Candidate Countries. It recommends that similar measures be taken for Bulgaria and Romania.

The Council emphasises that future measures are to be taken by the institutions to contain the volume translated including control of the size of documents, without prejudice of equal treatment of EU official and working languages taking into account the operational effectiveness, and adoption of a fit-for-purpose approach for authorised texts for translation and encourages the institutions to improve their work planning and comply with the deadlines for requesting translations.

Lastly, the Council requests the institutions to improve the efficiency of the translation process in particular by intensifying the recourse to IT tools, reduction of secretarial support, working methods based on best practices and teleworking. It also invites the Court to examine also the translation expenditure of the other institutions and bodies.

2005 discharge: Translation Centre for the Bodies of the European Union

2006/2160(DEC) - 24/04/2007 - Final act

PURPOSE: to grant discharge to the Translation Centre for the bodies of the European Union for the financial year 2005.

LEGISLATIVE ACT: Decision 2008/519/EC of the European Parliament on the discharge for the implementation of the budget of the Translation Centre for the bodies of the European Union for the financial year 2005.

CONTENT: with the present decision, the European Parliament grants discharge to the Director of the Translation Centre for the implementation of the Centre's budget for the financial year 2005.

This decision is in line with the European Parliament's resolution adopted on 24 April 2007 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 24/04/2007).

2005 discharge: Translation Centre for the Bodies of the European Union

2006/2160(DEC) - 07/02/2007

Having examined the revenue and expenditure account for the financial year 2005 and the balance sheet of revenue and expenditure at 31 December 2005 of the Translation Centre for the Bodies of the European Union, the Council recommends the European Parliament to give a discharge to the Director of the Centre in respect of the implementation of the budget for the financial year 2005.

In doing so, the Council confirms that EUR 1.7 million (95%) of the EUR 1.8 million in appropriations carried forward from the financial year 2004 to the financial year 2005 have been used. In addition, EUR 2.2 million in appropriations have been carried forward from the financial year 2005 to the financial year 2006 and EUR 4.2 million have been cancelled.

In parallel, the Council makes accompanying comments on the discharge which should be followed up. In particular, it:

- calls on the Centre to improve its **implementation rate** of the budget in order to remedy the continuous under-implementation of appropriations, to reduce the amounts carried over and to avoid cancellations of carry-overs;
- calls on the Centre to proceed to ex ante verifications of specific commitments relating to freelance translators' fees;
- calls on the Centre to take into account the value of the **intellectual property** rights of the IATE (Inter Active Terminology for Europe) database in the agreement on the division of costs to enable this value to be included in the assets of the institutions participating in the costs;
- finally, as last year, the Council regrets that the conflict with the Commission over the payment of **employer's pension contributions** for the Centre's staff still remains unsolved and urges the Centre, once again, to strengthen its efforts to find an agreement.

2005 discharge: Translation Centre for the Bodies of the European Union

2006/2160(DEC) - 24/04/2007 - Text adopted by Parliament, single reading

In adopting the report drafted by Ms Edit **HERCZOG** (PES, HU), the Parliament gave its full backing to the position of the Budgetary Control Committee and gave its discharge to the Director of the Translation Centre for the bodies of the European Union for the financial year 2005. In so doing, the Parliament approved the closure of the accounts of the Centre for the financial year in question.

The Parliamentary resolution is divided into two parts. The first contained general points, and concerned the majority of EU Agencies requiring individual discharge. The second part contained specific points relating to the Centre.

General points: Parliament considers that the ever-growing number of Community Agencies and the activities of certain of them do not seem to form part of an overall policy framework, and that the remits of some Agencies do not always reflect the real needs of the Union. Accordingly, it invites the Commission to define an overall policy framework for the setting up of new Community Agencies and to present a cost-benefit study before the setting up of any new agency, while being careful to avoid any overlap of activities between Agencies or with the remits of other European organisations. Parliament calls on the Court of Auditors to give its opinion on this cost-benefit study before Parliament takes its decision, and it asks the Commission to present every five years a study on the added value of every existing Agency. ; invites all relevant institutions In the case of a negative evaluation of the added value of an Agency, all relevant institutions are asked to take the necessary steps by reformulating the mandate of that Agency or by closing it.

In view of the constantly increasing number of Agencies, Parliament feels that the Directorates-General of the Commission charged with the setting up and monitoring of Agencies must develop a common approach to the Agencies. It also asks the Commission to improve administrative and technical support to the Agencies. Parliament regretted that the negotiations on the draft interinstitutional agreement on the operating framework for the European regulatory agencies have not yet been concluded, and calls on the Commission, in consultation with the Court of Auditors, to do their utmost to ensure that the agreement is brought to a rapid conclusion. Noting that the Commission's budgetary responsibility calls for closer linking of the Agencies to the Commission, Parliament calls on the Commission and the Council to take all necessary steps to give the Commission a blocking minority in the supervisory bodies of the regulatory Agencies by 31 December 2007 and to provide for such a minority from the outset when new Agencies are set up. It invites the Court of Auditors to create an additional chapter in its Annual Report, devoted to all Agencies to be discharged under the Commission's accounts in order to have a much clearer picture of the use of EU funds by Agencies.

Parliament goes on to ask the Commission to come up with a proposal to harmonise the format of the annual reporting by the Agencies and to develop performance indicators which would allow a comparison of their efficiency. The Commission is urged to monitor and direct the management of the Agencies, especially in relation to the proper application of tender procedures, transparency of recruitment procedures, sound financial management and, most importantly, the proper application of the rules concerning the internal control framework.

Specific points relating to the Centre: the Parliament insists that the Centre improves the programming of its administrative expenditures, pointing out that in the 2005 financial year, under-utilisation was noted with regard to expenditure on administration, where less than 75% of the appropriations were committed, and 24% of commitments were carried over. Parliament is concerned as, for the same period, more than 50% of the total commitments carried over from the previous year were cancelled.

It invites the Centre to seek clarification of the intellectual property rights linked to the IATE database and expresses its hope that the conflict between the Centre and the Commission as to the employer's portion of pension contributions for staff can be solved as quickly as possible.