



# Procedure file

Basic information		
DEC - Discharge procedure	<a href="#">2007/2053(DEC)</a>	Procedure completed
2006 discharge: Translation Centre for the bodies of the European Union CdT		
Subject 8.70.03.07 Previous discharges		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control	NI <a href="#">MARTIN Hans-Peter</a>	27/03/2007
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">2847</a>	12/02/2008
European Commission	Commission DG	Commissioner	
	<a href="#">Budget</a>	KALLAS Siim	

Key events			
30/03/2007	Non-legislative basic document published	SEC(2007)1055	Summary
25/10/2007	Committee referral announced in Parliament		
26/03/2008	Vote in committee		Summary
03/04/2008	Committee report tabled for plenary	<a href="#">A6-0124/2008</a>	
22/04/2008	Results of vote in Parliament		
22/04/2008	Debate in Parliament		
22/04/2008	Decision by Parliament	<a href="#">T6-0145/2008</a>	Summary
22/04/2008	End of procedure in Parliament		
31/03/2009	Final act published in Official Journal		

Technical information	
Procedure reference	2007/2053(DEC)
Procedure type	DEC - Discharge procedure
Legal basis	Rules of Procedure EP 100

Stage reached in procedure	Procedure completed
Committee dossier	CONT/6/53869

## Documentation gateway

Non-legislative basic document		SEC(2007)1055	30/03/2007	EC	Summary
Court of Auditors: opinion, report		<a href="#">N6-0004/2008</a> <a href="#">OJ C 309 19.12.2007, p. 0001</a>	15/11/2007	CofA	Summary
Supplementary non-legislative basic document		<a href="#">05843/2008</a>	29/01/2008	CSL	Summary
Committee draft report		<a href="#">PE396.695</a>	13/02/2008	EP	
Amendments tabled in committee		<a href="#">PE402.808</a>	06/03/2008	EP	
Committee report tabled for plenary, single reading		<a href="#">A6-0124/2008</a>	03/04/2008	EP	
Text adopted by Parliament, single reading		<a href="#">T6-0145/2008</a>	22/04/2008	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2008)3169</a>	28/05/2008	EC	

## Final act

[Budget 2009/203](#)  
[OJ L 088 31.03.2009, p. 0118](#) Summary

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

PURPOSE: presentation of the final accounts of the Translation Centre for the bodies of the European Union for the financial year 2006.

CONTENT: this document sets out a detailed account of the implementation of the 2006 budget, including the revenue and expenditure and the balance sheet for the year concerned.

According to this document, the final budget amounted to EUR 40.88 million (in comparison to EUR 27.9 million in 2005).

As regards the staffing policy, the Centre, which is based in Luxembourg, officially set out 189 posts in its establishment plan. 169 posts are currently occupied and are assigned to operational and administrative duties. Staff expenditure amounted to EUR 13.793 million in 2006.

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 2006, the Centre:

- translated 546 735 pages. The number of pages per language: 537 797 in the official languages and 8 938 in other languages;
- translated 531 454 pages for the EU bodies and 15 281 pages for the institutions with 260 301 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>

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

The Committee on Budgetary Control adopted the report by Hans-Peter MARTIN (NI, AT) recommending that the Parliament grant the Director of the Translation Centre for the bodies of the European Union discharge in respect of the implementation of its budget for the financial year 2006.

The parliamentary committee notes that the final annual accounts of the Centre are as annexed to the Court of Auditors' report.

MEPs make a series of general comments on the agencies of the EU before referring to the specific case of the Translation Centre for the bodies of the European Union.

1. General comments on the majority of EU agencies: MEPs note that the budgets of the 24 agencies and other satellite bodies audited by the Court of Auditors totalled more than EUR 1 billion and that the number of agencies is constantly increasing. The number of agencies subject to the discharge procedure evolved from 8 in 2000 to 20 in 2006. They conclude therefore that the auditing/discharge process has become cumbersome and disproportionate compared to the relative size of the agencies and that, in the future, this type of procedure should be simplified and rationalised for decentralised agencies.

On the basis of the financial analysis, MEPs are of the following opinion:

- Fundamental considerations: given the constantly increasing number of agencies, MEPs request that, before the creation of a new agency, the Commission provide clear explanations regarding agency type, objectives of the agency, internal governance structure, products, services, clients and stakeholders of the agency, formal relationship with external actors, budget responsibility, financial planning, and personnel and staffing policy. They also request that each agency be governed by a yearly performance agreement which should contain the main objectives for the coming year and that the performance of the agencies be regularly audited by the Court of Auditors (and extend the financial analysis of expenditure to also cover administrative efficiency and effectiveness). More generally, MEPs take the view that, in the case of agencies which are continually overestimating their respective budget needs, technical abatement should be made on the basis of vacant posts in order to reduce the assigned revenue for the agencies and therefore also lower administrative costs of the EU. They recall that it is a serious problem that a number of agencies is criticised for not following rules on public procurement, the Financial Regulation, the Staff Regulations etc., and consider that the principal reason for this is that most regulations and the Financial Regulation are designed for bigger institutions rather than for small agencies. Therefore, it is necessary to seek a rapid solution in order to enhance the effectiveness of the legislation by grouping the administrative functions of various agencies together or by establishing implementing rules which are better adapted to the agencies. MEPs also insist that the Commission, when drafting the Preliminary Draft Budget, take into consideration the results of budget implementation by the individual agencies in former years and revise the budget requested by the particular agency accordingly. If this revision is not undertaken is not undertaken by the Commission, MEPs invite the competent committee to revise, itself, the budget in question to a realistic level. At the same time, MEPs recall that they expect the Commission to present every five years a study on the added value of every existing agency and to not hesitate to close an agency if it is deemed useless by the analysis. Such an assessment is expected as soon as possible given that this type of assessment has yet to be presented. Furthermore, MEPs insist that recommendations of the Court of Auditors should be promptly implemented and the level of subsidies paid to the agencies should be aligned with their real cash requirements.
- Presentation of reporting data: noting that there is no standard approach among the agencies with regard to the presentation of information, MEPs recall that they already invited the directors of the agencies to accompany their annual activity report with a declaration of assurance concerning the legality and regularity of operations, similar to the declarations signed by the Directors General of the Commission. They therefore ask the Commission to amend its standing instructions to the agencies and to produce a harmonised model for presenting information, including: i) an annual report intended for a general readership on the body's operations, work and achievements; ii) financial statements and a report on implementation of the agency's budget; iii) an activity report of the Directors of the agency (as requested by the Parliament since 2005); iv) a declaration of assurance signed by the body's director.
- General findings by the Court of Auditors: MEPs refer to certain recurring findings by the Court, including the disbursement of subsidies paid by the Commission (not sufficiently justified estimates of the agencies' cash requirements), the non implementation of the ABAC accounting system by some agencies or the accrued charges for untaken leave which are accounted for by some agencies. They call for rapid measures in these areas as well as improvements to the internal audit procedures of the agencies. MEPs also call on the agencies to consider an inter-agency disciplinary board, as some individual agencies have difficulty in setting up their own disciplinary boards due to their size.
- Draft inter-institutional agreement: MEPs recall the Commission's draft Interinstitutional agreement on the operating framework for the European regulatory agencies (see [ACI/2005/2035](#)), which intended to create a framework for the creation, structure, operation, evaluation and control of the European regulatory agencies and insist that it be completed as soon as possible. They particularly welcome the Commission's commitment to bring forward a Communication on the future of the regulatory agencies during the course of 2008.

2. Specific points concerning the Translation Centre for the bodies of the European Union: MEPs note along with the Court that the accumulated budget surplus for 2006 was EUR 16.9 million and that, in 2007, the Centre will refund EUR 9.3 million to its clients. Such an accumulation of surpluses suggests that the Centre's method for pricing its translations is not precise enough.

MEPs also criticise the Centre's recruitment procedure for translators.

At the same time, MEPs hope that a solution will soon be found to the problem of the Centre's premises and to the question of the payment of employers' pension contributions, currently pending before the Court of Justice.

For the rest, MEPs welcome the Court's comments in terms of the Centre's internal audit and management.

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

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PURPOSE: to grant discharge to the Translation Centre for the bodies of the European Union for the financial year 2006.

LEGISLATIVE ACT: Decision 2009/203/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 2006.

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 2006.

This decision is in line with the European Parliament's resolution adopted on 22 April 2008 and comprises a series of observations that form an integral part of the discharge decision (please refer to the summary of the opinion of 22/04/2008).

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

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The European Parliament adopted, by 630 votes in favour, 15 against and 39 abstentions, a Decision to grant the Executive Director of the Translation Centre for the bodies of the European Union discharge in respect of the implementation of its budget for the financial year 2006. The decision to grant discharge also constitutes closure of the accounts of this EU agency.

At the same time, the Parliament adopted by 632 votes in favour, 16 against and 39 abstentions, a Resolution containing the comments which form part of the decision giving discharge. The report had been tabled for plenary by Hans-Peter MARTIN (NI, AT) on behalf of the Committee on Budgetary Control.

As is the case for all EU agencies, Parliament's Resolution is divided into two parts: part one contains general comments on EU agencies, while part two focuses on the specific case of the Centre.

1) General comments on the majority of EU agencies: the Parliament notes that the budgets of the 24 agencies and other satellite bodies audited by the Court of Auditors totalled more than EUR 1 billion and that the number of agencies is constantly increasing. The number of agencies subject to the discharge procedure evolved from 8 in 2000 to 20 in 2006. It concludes therefore that the auditing/discharge process has become cumbersome and disproportionate compared to the relative size of the agencies and that, in the future, this type of procedure should be simplified and rationalised for decentralised agencies.

On the basis of the financial analysis, the Parliament is of the following opinion:

- Fundamental considerations: given the constantly increasing number of agencies, the Parliament requests that, before the creation of a new agency, the Commission provide clear explanations regarding agency type, objectives of the agency, internal governance structure, products, services, clients and stakeholders of the agency, formal relationship with external actors, budget responsibility, financial planning, and personnel and staffing policy. It also requests that each agency be governed by a yearly performance agreement which should contain the main objectives for the coming year and that the performance of the agencies be regularly audited by the Court of Auditors (and extend the financial analysis of expenditure to also cover administrative efficiency and effectiveness). More generally, the Parliament takes the view that, in the case of agencies, which are continually overestimating their respective budget needs, technical abatement should be made on the basis of vacant posts in order to reduce the assigned revenue for the agencies and therefore also lower administrative costs of the EU. It recalls that it is a serious problem that a number of agencies is criticised for not following rules on public procurement, the Financial Regulation, the Staff Regulations etc., and considers that the principal reason for this is that most regulations and the Financial Regulation are designed for bigger institutions rather than for small agencies. Therefore, it is necessary to seek a rapid solution in order to enhance the effectiveness of the legislation by grouping the administrative functions of various agencies together or by establishing implementing rules which are better adapted to the agencies. The Parliament also insists that the Commission, when drafting the Preliminary Draft Budget, take into consideration the results of budget implementation by the individual agencies in former years and revise the budget requested by the particular agency accordingly. If the Commission does not undertake this revision, the Parliament invites the competent committee to revise, itself, the budget in question to a realistic level. At the same time, the Parliament recalls that it expects the Commission to present every five years a study on the added value of every existing agency and to not hesitate to close an agency if it is deemed useless by the analysis. Such an assessment is expected as soon as possible given that this type of assessment has yet to be presented. Furthermore, the Parliament insists that recommendations of the Court of Auditors should be promptly implemented and the level of subsidies paid to the agencies should be aligned with their real cash requirements.
- Presentation of reporting data: noting that there is no standard approach among the agencies with regard to the presentation of information, the Parliament recalls that it already invited the directors of the agencies to accompany their annual activity report with a declaration of assurance concerning the legality and regularity of operations, similar to the declarations signed by the Directors General of the Commission. It therefore asks the Commission to amend its standing instructions to the agencies and to produce a harmonised model for presenting information, including: i) an annual report intended for a general readership on the body's operations, work and achievements; ii) financial statements and a report on implementation of the agency's budget; iii) an activity report of the Directors of the agency (as requested by the Parliament since 2005); iv) a declaration of assurance signed by the body's director.
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- Draft inter-institutional agreement: the Parliament recalls the Commission's draft Interinstitutional agreement on the operating framework for the European regulatory agencies (see [ACI/2005/2035](#)), which was intended to create a framework for the creation, structure, operation, evaluation and control of the European regulatory agencies and awaits its adoption as soon as possible. It particularly welcomes the Commission's commitment to bring forward a Communication on the future of the regulatory agencies during the course of 2008.

2. Specific points concerning the Translation Centre for the bodies of the European Union: the Parliament notes along with the Court that the accumulated budget surplus for 2006 was EUR 16.9 million and that, in 2007, the Centre will refund EUR 9.3 million to its clients. Such an accumulation of surpluses suggests that the Centre's method for pricing its translations is not precise enough.

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At the same time, the Parliament hopes that a solution will soon be found to the problem of the Centre's premises and to the question of the payment of employers' pension contributions, currently pending before the Court of Justice.

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