



The Director

**REPORT OF THE DIRECTOR ON THE MEASURES TAKEN BY THE
TRANSLATION CENTRE FOR THE BODIES OF THE EUROPEAN UNION
IN LIGHT OF THE**

European Parliament resolution of 26 March 2019 with observations forming an integral part of the decision on discharge in respect of the implementation of the budget of the Translation Centre for the Bodies of the European Union for the financial year 2017 (2018/2184(DEC))

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Observation of the Discharge Authority	Response and measures taken by the Agency	Status/Reference
<i>Procurement</i>		
15. Notes that, according to the Court's report, by the end of 2017 the Centre had not yet been using all of the tools launched by the Commission aimed at introducing a single solution for the electronic exchange of information with third parties participating in public procurement procedures (e-procurement); calls on the Centre to introduce all of the necessary tools to manage procurement procedures and report to the discharge authority on their implementation;	The Translation Centre gradually adopted the tools launched by the Commission for e-procurement. It started using the e-tendering platform developed by the Publication Office in Q3 2018. The Centre will sign the required agreement with the Commission and continue its preparatory works in order to be on board before the end of 2019 in the e-submission and e-invoicing platforms.	Ongoing
<i>Prevention and management of conflicts of interest and transparency</i>		
16. Notes that the Centre opted for the publication of only declarations of interests, without CVs, due to the management problems associated with the size of its management board (approximately 130 members and alternate members); notes that the director's CV and declaration of interests are published on the Centre's website; calls on the Centre to report to the discharge authority on the measures taken in this regard;	Based on the workload of such implementation, the Centre considers that risks associated with conflict of interests are very low due to the nature of its business.	Closed
17. Notes that, according to the Court's report, there is a need to strengthen the accounting officer's independence by making him directly responsible to the Centre's director and management board; welcomes the steps already taken in order to ensure the independence of the accounting officer;	Following the Court's recommendation, the Centre transferred the accounting officer and the accounting team in the Director's Office on 1 st December 2018.	Closed
18.		

Notes that, although the Centre is not fee financed, it depends on revenue received from its clients, who are represented on the Centre's management board, and that there is therefore a risk of conflicts of interests regarding the pricing of the Centre's products which could be solved if the Commission collected the fees on behalf of the Centre's clients and would prompt the Centre to be mainly funded from the Union budget; calls on the Centre to report to the discharge authority on measures taken in order to mitigate such a risk;	The Centre takes note of the European Parliament's suggestion that the Centre's problems could be solved if the Commission collected the fees on behalf of the Centre's clients and would prompt the Centre to be mainly funded from the Union budget. The Centre notes, however, that the possibility of being funded from the Union budget, which would indeed solve most of the Centre's problems and would reduce the risk of conflicts of interests with the clients, is ultimately a political problem that cannot be solved at the level of the Centre, but would require an agreement between the Commission and the Budgetary Authority.	Ongoing
<i>Other comments</i>		
21. Reaffirms its strong commitment to multilingualism in the European Union as one of the fundamental prerequisites for the proper functioning of the Union's democratic system; points to the role that the Translation Centre plays in delivering high-quality translation and language services;	<p>The Centre's task is to provide the EU agencies and bodies with the translation and language services necessary for their activities in addition to doing so for the EU institutions which may call on its services.</p> <p>The Centre's business model is based on a strong quality management with a systematic quality check of external translations and a cross check for internal translations. A dedicated Quality Steering Committee manages a multiannual quality action plan.</p> <p>Recently, the Centre offered a new web translation service to help the agencies to implement their multilingualism policy and manage their multilingual website with less effort.</p> <p>In the interests of equal treatment, the Centre continues to apply the same price for its language services for all official EU languages.</p>	Closed
22. Notes with concern that, according to the Court's report, several agencies and bodies make increasing use of other solutions instead of the Centre's translation services, meaning that the Centre's capacity is underused, that there is a duplication of systems and that the Centre's business model and continuity could be at risk; invites the Centre and the Commission to proactively consider solutions to the issue at hand and	The Centre welcomes the European Parliament's remarks on the need, corroborated by the Court of Auditor's report, to avoid the duplication of translation solutions and systems in various agencies which risks undermining the Centre's business model and continuity. With a view to preventing such risks the Centre, in close cooperation with the Commission, is considering different courses of action and has embarked on a transformation programme aimed at adopting a new business model.	Closed

improvements to its business model in order to be able to mitigate those risks;		
<p>23.</p> <p>Regrets the fact that the European Union Intellectual Property Office (EUIPO) decided, on 26 April 2018, to terminate the translation arrangement it concluded with the Centre, despite its legal obligation to avail of the services of the Centre, as provided for in Article 148 of Regulation (EU) 2017/1001 of the European Parliament and of the Council¹, which established the EUIPO; takes note of the legal action brought before the General Court by the Centre on 6 July 2018; calls on the Centre to keep the discharge authority updated on the developments of the legal proceedings;</p>	<p>After the Translation Centre introduced its application to the General Court, meetings were organised between the Translation Centre and the EUIPO in order to negotiate the signing of a new arrangement between both parties.</p> <p>Following an agreement between the Translation Centre and the EUIPO, a new arrangement was signed on 7 December 2018. Nevertheless, the Translation Centre points out that the new arrangement has been signed for 2 years, since the EUIPO requested formally that the renewal clause should be removed from the arrangement. Please also note that despite numerous requests by the Translation Centre, the EUIPO has not yet cancelled the litigious call for tenders.</p> <p>As far as the legal proceeding is concerned, a hearing took place on 22 May 2019 with the General Court of the Court of Justice on the admissibility of the application introduced by the Centre. The Court closed the oral phase of the hearing on 4 June 2019. The Translation Centre expects a decision on the admissibility of the Centre's application in this Court case in the months to come.</p>	Ongoing

¹ Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ L 154, 16.6.2017, p. 1).