













# Procedure file

Basic information		
DEC - Discharge procedure	<a href="#">2017/2153(DEC)</a>	Procedure completed
2016 discharge: Translation Centre for the Bodies of the European Union (CdT)		
Subject 8.70.03.06 2016 discharge		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgetary Control	 <a href="#">STAES Bart</a>	14/09/2017
		Shadow rapporteur	
		 <a href="#">SARVAMAA Petri</a>	
		 <a href="#">LIBERADZKI Boguslaw</a>	
		 <a href="#">FITTO Raffaele</a>	
		 <a href="#">ALI Nedzhmi</a>	
		 <a href="#">VALLI Marco</a>	
		 <a href="#">KAPPEL Barbara</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Culture and Education		04/09/2017
		 <a href="#">ZDROJEWSKI Bogdan Andrzej</a>	
European Commission	Commission DG <a href="#">Budget</a>	Commissioner OETTINGER Günther	

Key events			
18/06/2017	Non-legislative basic document published	<a href="#">COM(2017)0365</a>	Summary
13/09/2017	Committee referral announced in Parliament		
20/03/2018	Vote in committee		
26/03/2018	Committee report tabled for plenary	<a href="#">A8-0106/2018</a>	Summary
18/04/2018	Results of vote in Parliament		
18/04/2018	Debate in Parliament		

			
18/04/2018	Decision by Parliament	<a href="#">T8-0136/2018</a>	Summary
18/04/2018	End of procedure in Parliament		
03/10/2018	Final act published in Official Journal		

Technical information	
Procedure reference	2017/2153(DEC)
Procedure type	DEC - Discharge procedure
Stage reached in procedure	Procedure completed
Committee dossier	CONT/8/10786

Documentation gateway					
Non-legislative basic document		<a href="#">COM(2017)0365</a>	19/06/2017	EC	Summary
Court of Auditors: opinion, report		N8-0012/2018 <a href="#">OJ C 417 06.12.2017, p. 0037</a>	17/10/2017	CofA	Summary
Committee draft report		<a href="#">PE613.466</a>	24/01/2018	EP	
Committee opinion	<b>CULT</b>	<a href="#">PE613.440</a>	26/01/2018	EP	
Supplementary non-legislative basic document		<a href="#">05941/2018</a>	09/02/2018	CSL	Summary
Amendments tabled in committee		<a href="#">PE618.234</a>	02/03/2018	EP	
Committee report tabled for plenary, single reading		<a href="#">A8-0106/2018</a>	26/03/2018	EP	Summary
Text adopted by Parliament, single reading		<a href="#">T8-0136/2018</a>	18/04/2018	EP	Summary

Final act
Budget 2018/1346 <a href="#">OJ L 248 03.10.2018, p. 0172</a> Summary

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

**PURPOSE:** presentation by the Commission of the consolidated annual accounts of the European Union for the financial year 2016, as part of the 2016 discharge procedure.

Analysis of the accounts of the Translation Centre for the Bodies of the European Union (CdT).

**CONTENT:** the organisational governance of the EU consists of institutions, agencies and other EU bodies whose expenditure is included in the general budget of the Union.

This Commission document concerns the EU's consolidated accounts for the year 2016 and details how spending by the EU institutions and bodies was carried out. The consolidated annual accounts of the EU provide financial information on the activities of the institutions, agencies and other bodies of the EU from an accrual accounting and budgetary perspective.

It is the responsibility of the Commission's Accounting Officer to prepare the EU's consolidated annual accounts and ensure that they present fairly, in all material aspects, the financial position, the result of the operations and the cashflows of the EU institutions and bodies, including the Translation Centre for the Bodies of the European Union (CdT), with a view to granting discharge.

Discharge procedure: the final step of a budget lifecycle is the discharge of the budget for a given financial year. It represents the political aspect of the external control of budget implementation and is the decision by which the European Parliament, acting on a Council recommendation, "releases" the Commission (and other EU bodies) from its responsibility for management of a given budget by marking the end of that budget's existence. The European Parliament is the discharge authority within the EU.

The discharge procedure may produce three outcomes: (i) the granting; (ii) postponement or; (iii) the refusal of the discharge.

The final discharge report including specific recommendations to the Commission for action is adopted in plenary by the European Parliament and are subject to an annual follow up report in which the Commission outlines the concrete actions it has taken to implement the recommendations made.

Each agency is subject to its own discharge procedure, including the Translation Centre for the Bodies of the European Union (CdT).

Translation Centre for the Bodies of the European Union: the Centre, which is located in Luxembourg (LU) was established by [Council Regulation \(EC\) No 2965/94](#) and its role is to provide any European Union Institutions and Bodies, which call upon its services with the translation services necessary for their activities.

As regards Centres accounts, these are presented in detail in the document on the consolidated annual accounts of the European Union for 2016:

Commitment appropriations:

- available: EUR 51 million;
- made: EUR 45 million.

Payment appropriations:

- available: EUR 55 million;
- made: EUR 46 million.

For further details on expenditure, please refer to the [final accounts of the Translation Centre](#).

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

---

**PURPOSE:** presentation of the report of the Court of Auditors on the annual accounts of the Translation Centre for the Bodies of the European Union (CdT) for the financial year 2016, together with the Centres replies (CdT).

**CONTENT:** in line with the tasks and objectives conferred on the Court of Auditors by the Treaty on the Functioning of the European Union, it provides in the context of the discharge procedure, both in Parliament and Council, a Statement of Assurance concerning the reliability of the accounts and the legality and regularity of the underlying transactions of each institution, body or agency of the EU, based on an independent external audit.

This audit also focused on the annual accounts of the translation centre. To recall, the Centre's task is to provide any European Union institutions and bodies which call upon its services with the translation services necessary for their activities.

**Statement of assurance:** pursuant to the provisions of Article 287 of the Treaty on the Functioning of the European Union (TFEU), the Court has audited:

- the annual accounts of the Centre, which comprise the financial statements and the reports on the implementation of the budget for the financial year ended 31 December 2016, and
- the legality and regularity of the transactions underlying those accounts.

**Opinion on the reliability of the accounts:** in the Courts opinion, the Centres annual accounts present fairly, in all material respects, its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of its Financial Regulation and the accounting rules adopted by the Commissions accounting officer.

**Opinion on the legality and regularity of the transactions underlying the accounts:** in the Courts opinion, the transactions underlying the annual accounts for the year ended 31 December 2016 are legal and regular in all material respects.

The report also makes a series of observations on budget management of the Agency, accompanied by the latters response. The main observations may be summarised as follows:

The Courts observations:

- budgetary management: in 2016, cash and short-term deposits held by the Centre decreased to EUR 34.2 million and reserves to EUR 31.1 million. This decrease results from a budgetary approach which intends to reduce the accumulated surplus from previous years.

The Centres replies:

- budgetary management: the Centre noted that it has taken various steps to reduce its budgetary surpluses. The budget 2016 was prepared as a deficitary budget in order to reduce the reserve for stability pricing. The balance of the budget outturn of the year, which amounted to EUR -2.9 million, contributed to the decrease of the reserve for stability pricing as well as the cash balance. It is envisaged 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 Centres clients

Lastly, the Court of Auditors report contains a summary of Centres key figures in 2016:

- Budget: EUR 50.5 million.
- Staff: 225 including officials, temporary and contract staff and seconded national experts.

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

---

Having examined the revenue and expenditure accounts for the financial year 2016 and the balance sheet as at 31 December 2016 of the

Translation Centre for the Bodies of the European Union (CdT), as well as the Court of Auditors' report on the annual accounts of the Centre for the financial year 2016, accompanied by the Centre's replies to the Court's comments, the Council recommended 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 2016.

The Council welcomed the Court's opinion that the Centre's annual accounts present fairly its financial position as at 31 December 2016 and the results of its operations and its cash flows for the year then ended, in accordance with the provisions of the Centre's Financial Regulation, and that the underlying transactions for 2016 are legal and regular in all material respects.

Nevertheless, the following observation was made:

- budgetary surplus: the Council took note of the Court's observation that a budgetary surplus was recorded at the end of 2016, albeit lower than in 2015. It, therefore, invited the Centre to continue monitoring its pricing, to use the available scope to reduce prices and to implement the automatic reimbursement of any surplus. It noted the measures already taken by the Centre to address the surplus.

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

---

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 Centres 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](#):

- Centres 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 Centres 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 Centres budget or establishment plan.

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

---

The European Parliament decided to grant discharge to the Director of the Translation Centre for the Bodies of the European Union (CdT) in regard to the implementation of the Centres budget for the 2016 financial year and to approve the closure of the accounts for the financial year in question.

Noting that the Court of Auditors has stated that it has obtained reasonable assurances that the Centres annual accounts for the financial year 2016 are reliable and that the underlying transactions are legal and regular, Parliament adopted by 560 votes to 127 with 8 abstentions, a resolution containing a series of recommendations, which form an integral part of the decision on discharge and which add to the general recommendations set out in the [resolution on performance, financial management and control of EU agencies](#):

- Centres financial statements: 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 Centres clients.

- Commitments and carry-overs: 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.

In particular, they recommended that the gender imbalance in favour of women who, in 2016, represented 61.64 % of the workforce should be addressed and redressed as soon as possible. They also 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 Centres budget or establishment plan.

With regard to preventing conflicts of interest, Members emphasised the need to establish an independent body with sufficient budgetary resources to support whistleblowers wishing to disclose information on possible irregularities negatively impacting on the Unions financial interests, while ensuring their confidentiality is protected.

Lastly, Parliament reiterated its unwavering commitment to multilingualism in the Union as a key platform for engaging with citizens and, as such, as an essential condition for the success of the Unions democratic system.

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

---

**PURPOSE:** to grant discharge to the Translation Centre for the Bodies of the European Union (CdT) for the financial year 2016.

**NON-LEGISLATIVE ACT:** Decision (EU) 2018/1346 of the European Parliament 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 2016.

**CONTENT:** the European Parliament decided to grant discharge to the Director of the Centre for the implementation of its budget for the financial year 2016.

This decision is accompanied by a resolution of the European Parliament containing the observations which form an integral part of the discharge decision in respect of the implementation of the general budget of the European Union for the financial year 2016 (please refer to the summary dated 18.4.2018).

In this resolution, Parliament welcomed the Centres 2016 achievement of developing a new pricing structure for the translation of documents which resulted in the Centre's clients achieving savings based on the reuse of content stored in the Centre's translation memories.

It noted that the decrease in cash and short term deposits results from a budgetary approach which intends to reduce the accumulated surplus from previous years. The Centre 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 Centres clients.