RESOLUTION (EU) 2020/1891 OF THE EUROPEAN PARLIAMENT

of 14 May 2020

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 (CdT) for the financial year 2018

THE EUROPEAN PARLIAMENT,

— having regard to its 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 2018,

— having regard to Rule 100 of and Annex V to its Rules of Procedure,

— having regard to the opinion of the Committee on Culture and Education,

— having regard to the report of the Committee on Budgetary Control (A9-0035/2020),

A. whereas, according to its statement of revenue and expenditure [1], the final budget of the Translation Centre for the Bodies of the European Union (the 'Centre') for the financial year 2018 was EUR 47 142 100, representing a decrease of 4,63 % compared to 2017; whereas 91,48 % of the Centre's budget derives from direct contributions from institutions, other agencies and bodies [2];

B. whereas the Court of Auditors (the 'Court'), in its report on the Centre's annual accounts for the financial year 2018 (the 'Court's report'), states that it has obtained reasonable assurances that the Centre's annual accounts are reliable and that the underlying transactions are legal and regular;

Budget and financial management

1. Notes with satisfaction that budget monitoring efforts during the financial year 2018 resulted in a budget implementation rate of 94,94 %, representing an increase of 1,82 % compared to the previous year; notes that the payment appropriations execution rate was 87,94 %, representing an increase of 2,53 % compared to the previous year;

Performance

2. Notes that the Centre uses input and output indicators as key performance indicators to assess the results of its activities and several indicators to enhance its budget management; notes the revised *ex ante* evaluation and the ongoing *ex post* revision of the Centre's programmes and activities; invites the Centre to further develop the key performance indicators to assess the outcome and impact of its activities in order to gain qualitative advice on how to provide more added value for the Centre's output and improve the Centre's business model;

3. Notes with appreciation that in 2018 the Centre took major steps forward in the use of translation technology and that, in close cooperation with its partner directorate-general at the Commission, it has successfully implemented machine translation and Euramis into its production workflow;

4. Notes furthermore that in 2018 the brand-new version of the biggest terminology database in the world, Interactive Terminology for Europe (IATE), was launched to the public and that the Centre develops and manages it on behalf of its institutional partners;

5. Welcomes the fact that the Centre implemented two actions to share resources with other agencies on overlapping tasks through the EU Agencies Network: a shared services catalogue, which lists all the services that can be shared by Union agencies, and a joint procurement portal on which Union agencies' procurement plans are shared; strongly encourages the Centre to actively seek further and broader cooperation with all Union agencies, especially given its strategically well-suited location in Luxembourg, where many other Union agencies are headquartered;

[1] OJ C 416, 15.11.2018, p. 16.
[2] OJ C 416, 15.11.2018, p. 18.

6. Encourages the Centre to implement the Court's recommendations;

7. Welcomes the progress made on the external evaluation of the Centre's business model, which was carried out in 2017; calls on the Centre to report to the discharge authority on the outcome of the final evaluation;

8. Notes with appreciation, and highlights the positive effects of, the continued impact of the pricing structure introduced in 2017 for the translation of documents, which corresponded to a saving of EUR 4,4 million for the Centre's clients in 2018;

9. Urges the Centre to adopt a sustainable business model in accordance with the transformation plan devised following the external study entitled 'Study on the Translation Centre as the Linguistic Shared Service Provider for the EU Agencies and Bodies'; encourages the Centre to fully implement those actions which would help adapt the new business model to technological advances, such as the web translation and speech recognition project;

10. Notes with concern that the Centre has not completed the anti-fraud plan which was targeted to be implemented by the end of 2018 and which had an implementation rate of 66 % in 2018; urges the Centre to speed up the implementation of that plan;

11. Expresses its satisfaction with the efforts made by the Centre in developing key staff capabilities in the areas of quality and project management, with 86,8 % of key staff having received training, which exceeds the target set for 2018;

12. Acknowledges the Centre's follow-up on their commitment to make a new version of IATE available to the Union institutions by the end of 2018, which was done in November 2018; notes that the Centre released the inter-institutional version of IATE in February 2019;

Staff policy

13. Notes that, on 31 December 2018, the establishment plan was 94,82 % executed, with 50 officials and 133 temporary agents appointed out of 55 officials and 138 temporary agents authorised under the Union budget (compared with 195 authorised posts in 2017); notes that, in addition, 23 contract agents worked for the Centre in 2018;

14. Notes with satisfaction that a good gender balance was achieved in 2018 with respect to the senior management positions (three men and two women) and within the management board (32 men and 27 women);

15. Encourages the Centre to develop a long term human resources policy framework to address the work-life balance of its staff, lifelong guidance and career development, gender balance, teleworking, non-discrimination, geographical balance and the recruitment and integration of disabled people;

Procurement

16. Notes that, according to the Court's report, by the end of 2018 the Centre had introduced e-invoicing but had not yet introduced the e-tendering and e-submission tools launched by the Commission to introduce 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 the necessary tools to manage procurement procedures and to report to the discharge authority on their implementation;

Prevention and management of conflicts of interest and transparency

17. 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; notes that the Centre considers that risks associated with conflicts of interests are very low due to the nature of its business;

18. Notes with concern 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 high risk of conflict of interest regarding the pricing of the Centre's products, which could be remedied if the Commission collected fees on behalf of the Centre's clients, leading to the Centre being fully funded from the Union budget; acknowledges the Centre's comment that the possibility of being funded from the Union budget would require an agreement between the Commission and the budgetary authority; calls on the Centre to report to the discharge authority on measures taken in order to mitigate such a risk;

Other comments

19. Welcomes the launch, in 2018, of the new version of IATE, intended to increase the Centre's public visibility and online presence; calls on the Centre to further focus on disseminating the results of its work to the public and to reach out to the public via social media and other media outlets;

20. Encourages the Centre to pursue the digitalisation of its services;

21. 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 ([3]), which established the EUIPO; notes the legal action brought before the General Court by the Centre on 6 July 2018 and the closure of the oral phase of the hearing on 4 June 2019; notes that a new arrangement for two years only was signed on 7 December 2018 between the Centre and the EUIPO; calls on the Centre to keep the discharge authority updated on the development of the legal proceedings;

22. Refers, for other observations of a cross-cutting nature accompanying its decision on discharge, to its resolution of 14 May 2020 ([4]) on the performance, financial management and control of the agencies.

([3]) 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).

([4]) Texts adopted, P9_TA(2020)0121.