

I

(Information)

COURT OF AUDITORS

SPECIAL REPORT No 9/2006

concerning translation expenditure incurred by the Commission, the
Parliament and the Council together with the Institutions' replies

(pursuant to Article 248(4), second paragraph, EC)

(2006/C 284/01)

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ABBREVIATIONS

CIEQ	Interinstitutional Committee for the Evaluation of External Translations
CRE	Compte rendu in extenso (detailed record of the debates at the Parliament's plenary sessions)
DG	Directorate-General
DG A III	Directorate A III (Translation and document production) of the Secretariat-General of the Council
DGT	Directorate General for Translation of the Commission
EP	European Parliament
EPSO	European Personnel Selection Office
EU-15 languages	Official languages of the 15 EU Member States prior to enlargement
EU-10 languages	Official languages of the 10 enlargement countries
FTE	Full-time equivalent (a measurement equal to one staff member working a full-time work schedule for one year)
ICTI	Interinstitutional Committee for Translation and Interpretation
ISC	Inter-Service Consultation (consultation between Commission Directorates-General)
MEP	Member of European Parliament
OJ	<i>Official Journal of the European Union</i>
SGC	Secretariat-General of the Council

EXECUTIVE SUMMARY

I. Twenty-one languages have the status of official and working languages of the European institutions. Each EU institution has its own translation service. The institutions which, on account of their activities, have to provide the largest volume of translations are the Commission, the Parliament and the Council. Because of the uneven spread of demand over the year or temporary insufficient internal capacity for the EU-10 languages, the European institutions need freelance translators in addition to their staff translators.

II. The objective of the audit was to assess the extent to which the Commission, the Parliament and the Council manage their translation resources and expenditure efficiently and effectively. The Court addressed three questions:

- Is translation demand met and are there adequate procedures to avoid unnecessary translations?
- Are translations timely and of adequate quality for their purpose?
- Were the institutions able to keep the cost of translations under control?

III. The audit has shown that the institutions have adopted different approaches when responding to rising translation demand. Both the Commission and the Council have taken adequate measures to reduce the number of documents translated into all languages. A significant part of all translation requests is, however, not governed by the translation guidelines adopted by each institution, and none of the institutions has a clear and coherent procedure for requesting translations.

IV. The three translation services audited generally manage to deliver translations into the EU-15 languages on time and with the required quality. However, in 2004 there were significant problems for the EU-10 languages.

V. None of the translation services has a tool for measuring client satisfaction or procedures for complaints about quality. Only the Commission has guidelines for quality control. Quality indicators, such as the number of errors found per page, are available at the Parliament but not at the Commission or the Council.

VI. With the exception of the Commission for 2002, none of the institutions had calculated their total translation cost or the average cost per page translated. A calculation made by the Court shows that in 2003 the full cost of translation was about 100 million euro each for the Parliament and for the Council and 215 million euro for the Commission. Following the increase in the number of languages after the May 2004 EU enlargement, the cost of translation has risen to approximately 128 million euro for the Parliament, 126 million euro for the Council and 257 million euro for the Commission in 2005. The average cost per page in 2003 was 150 euro at the Parliament and at the Commission, and 254 euro at the Council. In 2005, the average cost per page rose to 194 euro at the Commission and 276 euro at the Council, but dropped to 119 euro at the Parliament. Internal translation is more expensive than freelance translation, but comparison is difficult as texts translated externally are of a different nature and the quality of internal translation is recognised to be higher.

VII. While the Commission and the Council have been successful in reducing demand for translations into the EU-15 languages this has also resulted in overcapacity and below-average productivity. The Court, however, noted significant differences in the productivity and the outsourcing percentages of the different language units of the different institutions.

VIII. Since 1995 the EU translation services have increased cooperation in certain areas such as recruitment, the creation of a terminology database, procurement of IT tools etc. The Court considers that savings could be achieved by further increasing interinstitutional cooperation, in particular by ensuring that spare capacity in one institution is made available to other institutions in order to reduce their outsourcing to freelance translators. However, lack of forecasts and insufficient communication of available translation capacity make it difficult for the institutions to take full advantage of temporarily available capacity at other institutions.

IX. While advanced IT tools are available at the audited translation services, they are not used in a consistent manner. At the Parliament the actual use of IT tools thus varies widely from one translation unit to another. For the EU-15 languages in 2004, there was only a marginal use of the tools at the Council whereas no information was available on the level of use at the Commission during the audit period. The efficiency and the harmonisation of the translations could be improved by increased use of computer tools, better planning, stricter adherence to deadlines for requesting translations and closer supervision of outsourcing decisions in order to avoid the use of freelance translators while staff translators are available. Furthermore, consistent monitoring through the use of performance indicators and procedures for ensuring adequate management information should be implemented.

INTRODUCTION

1. The European Union functions in a multilingual environment with equal treatment of the languages of its Member States. The European Community institutions employ nationals from all Member States with varying degrees of knowledge of languages. For practical reasons the languages most frequently used within the institutions are reduced in number ⁽¹⁾, but documentation received from, and sent to, Member States is in their official languages. The translation of incoming and outgoing documents is therefore vital to the sound running of the institutions, and for communicating with Member States and their citizens.

the institutions to stipulate in their Rules of Procedure which languages are to be used in specific cases. This provision makes it possible to tailor language arrangements to the specific needs of each institution (see *Annex I*).

3. In addition to their Rules of Procedure, each institution adopts practical guidelines covering the types of documents to be translated, the number of languages, the length of the originals and the deadlines (see also *Annex I*).

Organisation of the translation services of the EU institutions

Legal framework

2. Pursuant to Article 290 of the Treaty establishing the European Community and Council Regulation No 1/1958 ⁽²⁾, updated after each enlargement, 21 languages have been given the status of official and working languages of the institutions ⁽³⁾. This Regulation later establishes the language regimes applying to some broad categories of EU documents ⁽⁴⁾, but also authorises

4. Each Institution has its own translation service: the Directorate-General for Translation and Publishing at the Parliament, the Directorate-General for Translation at the Commission (hereafter DGT) and Directorate A III (Translation and document production) at the Council (hereafter DG A III). The Court of Justice and the Court of Auditors, as well as the European Economic and Social Committee and the Committee of the Regions, also have their own translation services. The translation needs of the agencies are covered by the Translation Centre in Luxembourg ⁽⁵⁾.

5. In 2005, the Commission employed about 1 450 staff translators (and about 600 support staff), the Parliament about 550 translators (and about 380 support staff) and the Council 660 translators (and about 330 support staff). There is an uneven spread of demand for translations over the year, and some European institutions limit costs or meet peak demand through the use of freelance translators selected through tendering procedures.

⁽¹⁾ Generally English, French and German.

⁽²⁾ Council Regulation No 1 of 15 April 1958 determining the languages to be used by the European Economic Community (OJ L 7, 6.10.1958, p. 385/58), as amended.

⁽³⁾ Spanish, Czech, Danish, German, Estonian, Greek, English, French, Irish, Italian, Latvian, Lithuanian, Hungarian, Maltese, Dutch, Polish, Portuguese, Slovak, Slovene, Finnish, Swedish. Since 18 June 2005 Irish has been the 21st official EU language, although certain effects of Council Regulation (EC) No 920/2005 (OJ L 156, 18.6.2005, p. 3) have been postponed until 1 January 2007.

⁽⁴⁾ In particular, documents published in the *Official Journal of the European Union* (19, 20 or 21 official languages, due to derogations concerning the use of Maltese and Irish) and documents sent to a Member State or to a person subject to the jurisdiction of that Member State (language of the State concerned).

⁽⁵⁾ The Translation centre in Luxembourg mainly relies on translation by freelance translators. The centre employs about 80 (in 2004) staff translators, who are mainly occupied with revision of freelance translations for the agencies and to a limited extent with translation tasks for other institutions.

6. The organisational structure of the EU translation services includes translation units comprising translators and secretaries (one unit per language at the Parliament and the Council; one department per language at the Commission ⁽⁶⁾), a planning unit, a freelance unit and various other support units (information technology, resources management, etc).

7. In 2005, the EU institutions producing the largest volume of translations were the Commission (1 324 000 pages ⁽⁷⁾), the Parliament (1 080 000 pages ⁽⁸⁾) and the Council (457 000 pages ⁽⁹⁾). Together they represent about 70 % of the total EU translation volume.

8. The translation needs of the institutions are met in different ways:

- (a) by the translation service which either translates the document in-house or
- (b) outsources the work to freelance translators;
- (c) by direct recourse to freelance translators not necessarily with the involvement of the translation service (hereafter called direct outsourcing);
- (d) through translation by administrative staff of the Directorate-General (hereafter DG) concerned (grey translations).

Audit scope and approach

9. The objective of the audit was to assess the extent to which the Commission, the Parliament and the Council manage their translation resources and expenditure efficiently and effectively.

10. This was done by addressing three questions:

- Is translation demand met and are there adequate procedures to avoid unnecessary translations?

⁽⁶⁾ Each department consists of between three and six units, specialised by policies (or domain); 77 units in total.

⁽⁷⁾ This figure includes outsourcing ordered by DGT, but not by other DGs for which no reliable and exhaustive figures are available.

⁽⁸⁾ Harmonised definition: 1 500 printed original text characters (source language), without blanks. For modified versions of existing texts, DGT counts the number of modified characters and multiplies this number by a certain percentage (50 % for internal translation and 30 % for freelance translation) in order to account for the additional work of integrating the modified parts into the original text. The Parliament uses a slightly different method, counting the number of characters of the whole modified paragraph, without adding 50 %. The resulting number of pages of each document is rounded up to the unit.

⁽⁹⁾ The official production figures of the Council were adapted by the Court to make them comparable to those of the other institutions.

- Are translations timely and of adequate quality for their purpose?

- Were the institutions able to keep the cost of translations under control?

11. The audit principally covered 2003 and 2004, but changes occurring in 2005 as a consequence of enlargement were also taken into consideration. The audit was based on an examination of existing rules and procedures, testing of the reliability of the production statistics, calculation of costs and productivity and the undertaking of a client satisfaction survey within major user services.

OBSERVATIONS

The procedures applied to ensure that translation demands are met and unnecessary translations are avoided

12. To ensure efficient use of resources, only translations that are necessary and of sufficient priority for the effective functioning of the institutions should be undertaken. Clear guidelines are necessary to establish the criteria for texts for which translation can be requested. The Court examined the extent to which these guidelines exist, their quality and how they are applied.

Internal guidelines governing translation requests

13. None of the institutions has established consistent and clear procedures defining who can request a translation, which types of documents should be translated (when and into which languages), criteria for authorising non-mandatory translations and procedures for monitoring the enforcement of 'translation policy'.

14. The guidelines established by the three institutions only indicate the types of documents for which translation is mandatory (either into all languages or into some languages). With the exception of the Council's 'non-core' documents ⁽¹⁰⁾, for which a decision not to translate them into the EU-10 languages was taken in 2003, it is unclear which documents should not be accepted for translation.

15. More than a few thousand persons at the Commission, 800 at the Parliament and most Council administrative staff have been granted access to the system for making translation requests. This — together with insufficient guidelines — increases the risk that low priority or unnecessary translations may be requested.

⁽¹⁰⁾ See Annex I, footnote 9.

16. In some Commission DGs translation requests are authorised by the Head of a coordinating unit. In other Commission DGs and in some Parliament and Council DGs translation requests are authorised at unit level or sent directly to the planning unit of the translation service without prior authorisation or supervision. In such cases, the planning unit of the translation service is the only real filter for identifying and refusing requests for translations which are low priority for the institution ⁽¹¹⁾. However, they have only a limited basis on which to make such judgements.

17. The Parliament's 'Code of Conduct on multilingualism' (see *Annex I*) only 'lays down implementing arrangements, in particular the priorities to be observed in cases where language resources are not sufficient to provide all the facilities requested'. It is stated that 'each user is competent to define its language needs' (Article 1(1) and (5)). Consequently, if the request does not violate the Code of Conduct, the planning unit does not question the need to translate or the number of target languages requested, even if it is clear that operational deadlines cannot be complied with (and the translation is therefore unlikely to be used).

18. The planning units of the Commission and the Council may, after consultation with the translation requestor, refuse requests which do not comply with the internal rules, or which are considered premature or not needed. Between 5 % and 10 % of the translation requests were refused in 2003 and 2004. Unless a requestor complained the authorisations given by the planning unit's operational staff at the Commission and the Council were not checked by management, not even on a sample basis. The acceptance of translation requests often depended more on the availability of translation capacity than on actual needs.

The capacity to meet translation demand

19. Since enlargement, requests for translations concerning the EU-15 languages could generally be met by the institutions. The situation was different for the EU-10 languages, because of an insufficient number of translators from the new Member States. The first set of interinstitutional EPSO competitions for assistant translators for the EU-10 languages was not concluded before enlargement and did not result in a sufficient number of successful candidates.

20. While the Parliament was more successful in preparing for translation into the EU-10 after the enlargement, none of the institutions was able to meet its targets for recruitment of staff translators and support staff for the new language units. By December 2004 the Commission's DGT had only recruited between 25 and 38 translators and support staff per EU-10 unit,

compared to a target of 90. As new EPSO competitions were only launched in May 2005, the scarcity of staff translators for the EU-10 languages is expected to last until late 2006 (see also paragraph 74).

21. Unlike the EU translation services, some large private translation offices used by the European institutions managed to translate into and from all the EU-10 languages from 2004. This was achieved by setting up offices in the new Member States. While the Commission has made a limited use of translators as contract staff in its representation offices in the new Member States, it has decided that this will largely be phased out in 2006 for practical management reasons.

22. From May 2004 until April 2005, due to these capacity constraints, only legislative core documents ⁽¹²⁾ were translated by the Council into the EU-10 languages. Within the same period the Parliament only translated from or into the EU-10 languages rules of general interest, plenary agendas and minutes, as well as documents put to the vote.

23. In 2004 very few translators in the EU-15 language units had sufficient working knowledge of one or more of the EU-10 languages. As a result, translation into the so-called procedural languages — English, French and German — was mostly undertaken by non-native speaking translators which further limited the available capacity for translation into the EU-10 languages.

The evolution of the number of pages translated

24. The enlargement of the European Union resulted in an increase from 11 to 20 official languages. This had the potential to significantly increase the cost and complexity of translation. As a result, the EU institutions took measures to limit the increase to a minimum by introducing stricter criteria for translation. The Court examined the extent to which these measures were successful in controlling translation demand.

25. *Graphic 1* shows that in recent years the institutions have managed to limit the increase in translation volume ⁽¹³⁾. Stricter acceptance criteria introduced by the Council in 2003 and by the Commission in 2004 halted the rising trend of previous years. However, the fall in translation volume in all the institutions in 2004 was also caused by the slowdown in legislative activity due to the parliamentary elections and the renewal of the Commission as well as a backlog of translations into the EU-10 languages.

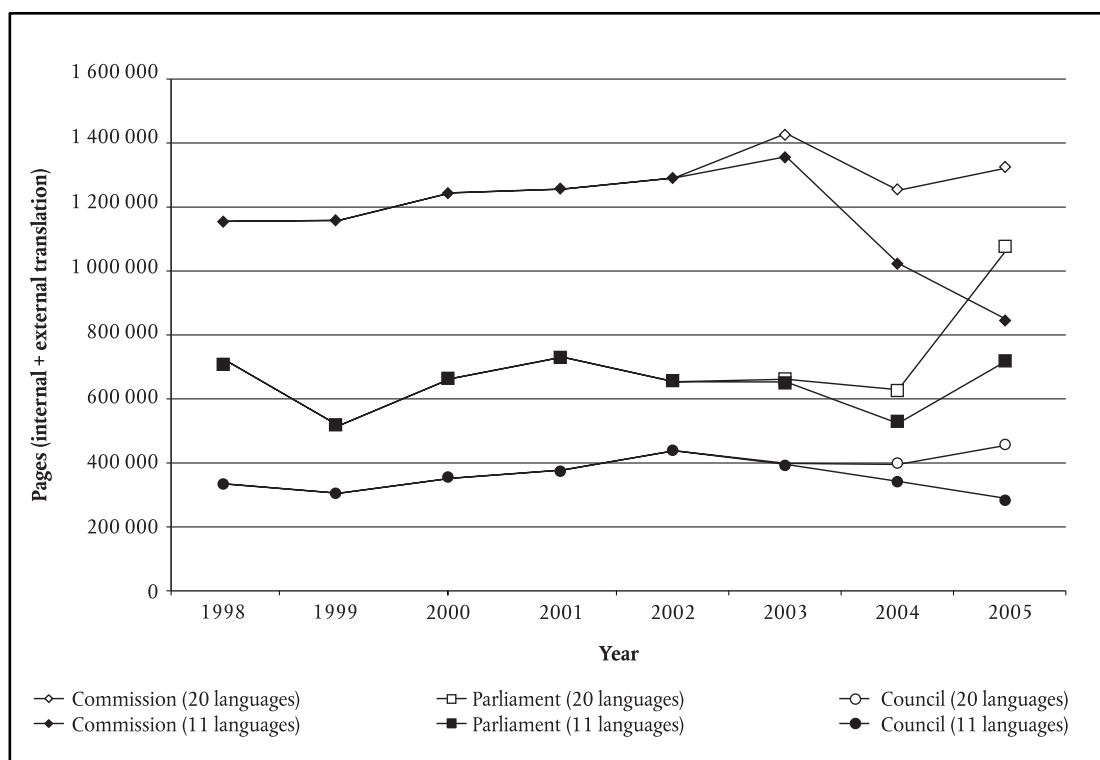
⁽¹²⁾ See *Annex I*, footnote 9.

⁽¹³⁾ The number of pages translated provides comparable data for all the institutions but differs slightly from demand because of the requests turned down by the planning units and time-lags between request and delivery. The reported figures do not include grey translations or direct outsourcing, which is particularly significant at the Commission but for which there are no exhaustive figures available.

⁽¹¹⁾ In its preliminary draft budget for 2006, the Commission states that 'non core documents can be assessed against real needs in accordance with the Decision of 26 May 2004 on the supply and demand for translation (SEC(2004) 638)'.

Graphic 1

The translation volume of the Commission, the Parliament and the Council



26. Table 1 shows that at the Parliament and the Council, which apply a policy of full multilingualism, the translation volume is nearly the same for all languages. The lower volume for the EU-10 languages is due to capacity constraints. Only the English units face lower demand than the other units, because about three quarters of the originals are now written in English at the Council and nearly a half at the Parliament. The Commission,

on the other hand, makes a clear distinction between procedural languages (English, French and German) and non-procedural languages, for which demand is significantly lower. Contrary to the Parliament and the Council, the English units in the Commission do not face a lower demand than the other units because a large volume of documents coming from outside the institution have to be translated into the procedural languages.

Table 1

Translation volume per target language (in thousands of pages)

	COMMISSION			PARLIAMENT			COUNCIL		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Translation into									
English	146	131	128	51	40	53	30	17	20
French	174	151	142	63	51	70	34	33	29
German	175	146	126	65	53	73	40	32	28
Other EU-15 languages (average)	108	75	56	60	47	66	37	30	26
EU-10 languages (average)	2	23	51	1	12	39	< 1	5	19

Source: Court of Auditors.

Practical measures taken by the institutions to contain translation volume

Commission

27. When preparing for the May 2004 enlargement, the Commission took specific measures to prevent an increase in translation volume proportional to the increase in official languages.

28. In May 2004, the Commission issued a Communication laying down an action plan with the objective of controlling the volume and cost of translation by limiting the number of languages into which certain documents would be translated and by stipulating the maximum length of the texts. Several DGs took additional measures to reduce translation volume in areas not covered by the Communication. Some publications are thus no longer issued in all official languages. For certain documents, only a summary is translated into all languages.

29. The Commission has adopted a pragmatic approach to translation, matching the needs of the requesting DG with the capacity available. The translation of tendering documents into the non-procedural languages ⁽¹⁴⁾, for instance, is suspended until a potential tenderer asks for it. The language regimes of the different 'comitology' Committees ⁽¹⁵⁾ vary according to the needs of their members: some use a single working language; others only request documents in a limited number of agreed languages.

30. In order to dissuade users from requesting a full translation for basic comprehension purposes, DGT also offers alternative services, such as written or oral summaries, a translation hotline (a simplified system for very short translations) and, for some language combinations, edited machine translations. However, the audit showed that clients were insufficiently aware of these options, which only represent a small share of the total DGT production. For that reason, in 2005, DGT took steps towards increasing the visibility of the different services available.

31. The Commission made significant efforts to reduce the number of consecutive translations of different versions of the same text. As a rule, Commission documents are translated for the first time once the Inter-Service Consultation procedure (ISC) has been completed.

⁽¹⁴⁾ The procedural languages of the Commission are English, French and German.

⁽¹⁵⁾ Advisory Committees, Management Committees and Regulatory Committees, regulated by Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission (OJ L 184, 17.7.1999, p. 23), replacing Council Decision 87/373/EEC of 13 July 1987, (OJ L 197, 18.7.1987, p. 33).

Parliament

32. A new version of the 'Code of Conduct on multilingualism', approved by the Parliament's Bureau in 2004, limits the size of documents, but not the number of languages or the types of documents to be translated.

33. While documents discussed by the Parliamentary Committees are in principle translated into all the languages of their Members and Alternates, some Committees accept a smaller number of languages.

Council

34. The Council also took specific measures to prevent an unnecessary increase in translation volume while preparing for the 2004 enlargement. In 2003 it established a list of core documents (see *Annex I*) and severely limited the acceptance of non-core documents.

35. In addition, it made efforts to reduce the number of consecutive translations. Since 2003 the Secretariat General of the Council (hereafter SGC) only provides translations into all languages of legislative texts at a limited number of 'milestone stages' rather than as previously after each meeting of each preparatory body. However, DG A III does not monitor the observance of these rules, or the possibilities for further reducing the number of successive versions that are translated.

36. The approaches taken by the different institutions to limiting translation demand are uncoordinated and, as a result, inconsistent. For example, the Parliament currently translates all written questions into the EU-15 languages and the Commission's answers are only made available in two procedural languages, plus the language of the MEP who put the question.

Quality control

The controls to ensure translations are of adequate quality

37. Translations should be accurate, clear and 'fit for purpose' (whereby the required quality of the translation depends on its destination ⁽¹⁶⁾). The Court examined whether there are appropriate measures to ensure that the quality of translations meet the objectives. At the translation service level, the responsibility for quality control primarily lies with the Heads of Units. At the Commission, DGT divides all translations into five categories of 'translation quality types' (TQT), with a different degree of revision and/or quality evaluation according to the type of document. In addition, some Commission DGs, such as DG Competition, systematically review the translations they receive.

⁽¹⁶⁾ For example, documents destined for publishing or legal texts require better-quality translations (and thereby more resources) than documents for internal use.

38. On the other hand, the Parliament and the Council do not allocate translations to quality categories and their quality control procedures are less structured. As a result, revision practices vary significantly, although legislative acts are always revised by lawyer-linguists before publication.

39. In addition to checks performed by the translation units, the Directorate for Translation at the Parliament evaluates the quality of both internal and external translations through bi-monthly random checks (which mainly concern linguistic errors such as spelling or grammar but not the application of correct terminology etc). This process produces quality indicators, such as the number of errors found per page, information which is not available at the Commission or the Council.

40. None of the translation services has put in place specific tools to measure users' satisfaction or formulated procedures for handling complaints about quality.

41. The client satisfaction survey carried out by the Court towards the end of 2004 showed that the quality of translations into the EU-15 languages, as well as the administrative processing of the translation requests, were generally considered satisfactory. However, some Commission DGs reported some quality problems with DGT translations into the EU-15 languages, in particular a lack of precision in technical terms, and the fluctuating quality of freelance translation. DG A III of the Council also reported some quality problems with legislative proposals submitted by the Commission.

42. In contrast, most clients surveyed in 2004, in particular in the Commission, referred to quality problems for translations into the EU-10 languages. This was caused by the need to use mostly external translators — many of whom had little experience of EU-type translation — and by a lack of internal capacity to revise freelance translations sufficiently.

43. The quality of translations carried out by freelance translators is assessed by staff translators and awarded a grading out of 10. When quality control shows that the quality of a freelance translation is insufficient, the document is either sent back to the freelance translator or revised in-depth by a staff translator. Freelance translations marked 6/10 or less are submitted to the CIEQ⁽¹⁷⁾, an independent interinstitutional arbitration committee. In 40 % of the cases submitted by the Commission in 2004, the CIEQ recommended the termination of the whole contract or of parts of it.

⁽¹⁷⁾ CIEQ: Comité Interinstitutionnel d'Evaluation de la Qualité des Traductions Externes.

Timeliness and other elements of client satisfaction

44. In 2004 the Commission's DGT finished about 90 % of all translations within the agreed deadlines (compared to about 80 % in 2003 and 94 % in 2005). This improvement can in part be attributed to the decreasing workload. The corresponding figure at the Parliament for the period May 2004 to July 2005 was 86 %. The SGC has no statistics showing the level of compliance with the translation deadlines at the Council.

45. However, certain Commission DGs surveyed during the Court's audit reported that the deadlines which are set by DGT are not always compatible with the legal obligations or operational needs of the DGs. Therefore, administrators (non-linguists) frequently translate some urgent short documents themselves (grey translations), and in other cases outsource certain translations directly to freelance translators (see also paragraphs 54 and 75). While this represents a pragmatic solution, it also illustrates an inability to meet demand and considerably increases the difficulties of the Commission in managing its translation function as a whole.

46. Council and Commission users of translations also reported that, because of insufficient capacity for the EU-10 languages, the deadlines set by the planning units — particularly in 2004 — were too long to meet their needs.

The cost and the efficiency of translations

The cost of translation

Cost calculations

47. Activity based budgeting (ABB) is a means to enhance 'transparency in the management of the budget with reference to objectives of sound financial management and in particular efficiency and effectiveness'⁽¹⁸⁾. Being aware of the cost of an activity is essential for controlling its performance. Article 12(1) of the Parliament's Code of Conduct stipulates that 'translation services shall inform users every three months, on comparable bases, of the costs generated by their requests for language facilities'. However, this stipulation has not been implemented. The SGC has never estimated the cost of translation.

⁽¹⁸⁾ See recital 14 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 (OJ L 248, 16.9.2002, p. 1).

48. During the period covered by the audit, the Commission abandoned a costing project. There is, however, an allocation of translation cost to individual policy areas through the ABB process. A flat rate is used which depends on the size of the DG concerned, but it is not based on the actual costs or actual usage.

49. Despite the importance of such information, the institutions have calculated neither their total translation costs, nor their cost per page. The Court calculated the full cost of the internal and external translations managed by the translation services of

the institutions (i.e. excluding direct outsourcing and grey translations, for which no cost calculation can be made, as no information on the amount of time spent by administrative staff on translation tasks is available). The purpose of the calculation was to allow a comparison between the institutions included in the audit, and the costs of freelance translations. A detailed description of the Court's cost calculation method is set out in *Annex II*.

50. The results of the Court calculations for 2003 ⁽¹⁹⁾ are detailed in *Tables 2, 3 and 4*:

Table 2

Full cost of internal translations

	TOTAL COST OF INTERNAL TRANSLATION (million euro)				AVERAGE COSTS PER PAGE (euro)			
	Commis- sion	Parlia- ment	Council	3 institu- tions	Commis- sion	Parlia- ment	Council	3 institu- tions
Staff translators	94,76	40,03	54,58	189,37	85,27	89,87	136,92	96,85
Secretaries	5,46	7,80	11,25	24,51	4,92	17,51	28,22	12,54
Direct cost	100,22	47,83	65,83	213,88	90,19	107,38	165,14	109,39
Management	0,50	0,27	0,52	1,30	0,45	0,62	1,31	0,66
Translation service staff	34,06	10,35	11,42	55,84	30,66	23,25	28,64	28,56
Planning	2,35	0,41	1,25	4,00	2,11	0,92	3,12	2,05
Building	22,80	9,14	12,50	44,44	20,52	20,52	31,35	22,73
IT	8,31	6,01	5,39	19,70	7,48	13,49	13,51	10,08
Other ⁽¹⁾	9,72	3,09	3,48	16,28	8,74	6,93	8,72	8,33
Indirect cost	77,74	29,28	34,54	141,56	69,96	65,72	86,65	72,40
Total cost	177,95	77,11	100,38	355,44	160,15	173,11	251,80	181,78

⁽¹⁾ Human Resources Management, Training, Finance, etc.
Source: Court of Auditors.

⁽¹⁹⁾ In 2004 and 2005, the costs were significantly higher, as explained in paragraph 53, but these years were characterised by a lower efficiency because of the transition from a system with 11 to one with 21 languages.

Table 3

Full cost of external translations

	TOTAL COST OF EXTERNAL TRANSLATION (million euro)				AVERAGE COSTS PER PAGE (euro)			
	Commis- sion	Parlia- ment	Council	3 institu- tions	Commis- sion	Parlia- ment	Council	3 institu- tions
Staff translators (revision)	5,85	0,00	N.A.	5,85	18,36	0,00	N.A.	10,95
Secretaries	1,51	2,74	N.A.	4,25	4,74	12,70	N.A.	7,95
Freelance translation	11,22	8,90	N.A.	20,12	35,24	41,22	N.A.	37,65
Direct cost	18,58	11,64	N.A.	30,22	58,34	53,92	N.A.	56,55
Management	0,14	0,12	N.A.	0,26	0,44	0,56	N.A.	0,49
Translation service staff	9,32	4,54	N.A.	13,86	29,26	21,04	N.A.	25,94
Planning	0,65	0,18	N.A.	0,83	2,03	0,83	N.A.	1,55
Freelance unit	2,01	1,39	N.A.	3,40	6,32	6,44	N.A.	6,37
Building	2,29	1,75	N.A.	4,04	7,18	8,10	N.A.	7,55
IT	2,29	1,71	N.A.	4,01	7,20	7,94	N.A.	7,50
Other ⁽¹⁾	1,56	0,58	N.A.	2,15	4,91	2,69	N.A.	4,02
Indirect cost	18,27	10,27	N.A.	28,54	57,34	47,60	N.A.	53,41
Total cost	36,85	21,92	N.A.	58,76	115,68	101,54	N.A.	109,97

⁽¹⁾ Human Resources Management, Training, Finance, etc.

Source: Court of Auditors.

Table 4

Estimated full cost of translation; internal and external translation

	TOTAL TRANSLATION COSTS (million euro)				AVERAGE COSTS PER PAGE (euro)			
	Commis- sion	Parlia- ment	Council	3 institu- tions	Commis- sion	Parlia- ment	Council	3 institu- tions
Staff translators	100,61	40,03	54,58	195,22	70,37	60,54	136,92	78,41
Secretaries	6,97	10,54	11,25	28,76	4,88	15,94	28,22	11,55
Freelance Translators	11,22	8,90	0,00	20,12	7,85	13,45	0,00	8,08
Direct cost	118,80	59,47	65,83	244,10	83,09	89,93	165,14	98,05
Management	0,64	0,40	0,52	1,56	0,45	0,60	1,31	0,63
Translation service staff	43,38	14,90	11,42	69,70	30,34	22,53	28,64	27,99
Planning	2,99	0,59	1,25	4,83	2,09	0,89	3,12	1,94
Freelance unit	2,01	1,39	0,00	3,40	1,41	2,10	0,00	1,37
Building	25,09	10,89	12,50	48,47	17,55	16,47	31,35	19,47
IT	10,60	7,72	5,39	23,71	7,41	11,68	13,51	9,52
Other ⁽¹⁾	11,28	3,67	3,48	18,42	7,89	5,55	8,72	7,40
Indirect cost	96,00	39,55	34,54	170,09	67,14	59,81	86,65	68,32
Total cost	214,80	99,02	100,38	414,19	150,24	149,74	251,80	166,37

⁽¹⁾ Human Resources Management, Training, Finance, etc.

Source: Court of Auditors.

Cost analysis

51. Costs per page are calculated *ex post*, and are only valid for the volume of demand and production of 2003. As most of the translation costs are fixed costs (87 % at the EP, 91 % at DGT and 97 % at the SGC), years of low demand will naturally result in a higher cost per page. In 2004, the Commission translation volume for the EU-15 languages dropped by almost 25 %, which resulted in a drop in productivity of 20 %, because the reduction of freelance translation was insufficient to fully occupy staff translators. In 2003, the cost per page translated internally by the Commission and the Parliament was comparable while the Council's cost per page was significantly higher, largely due to lower productivity and higher costs of secretarial support and buildings. Because the Council has sufficient permanent staff to avoid the use of freelance translation for the EU-15 languages, the gap was even larger at the level of the total cost per page.

52. For 2003 the estimated full cost per page of external translation was 35 % lower than the cost of internal translation at the Parliament (100 euro versus 154 euro) and 25 % lower at the Commission (120 euro versus 160 euro). However, these data do not take into account the different natures of internal and external translations, with the former involving more demanding and time-consuming priority texts such as legislation and documents for publication. Staff translators are also involved in other language-related duties meaning that their time is not entirely devoted to translations (see paragraph 76). For both the EU-15 and EU-10 languages, freelance prices paid by the Parliament are on average 12 % higher than the prices paid by DGT ⁽²⁰⁾.

The efficiency of the translation process

53. The activity-based approach to managing human and financial resources requires the setting of objectives, the planning of activities and the monitoring of output and performance against targets, measured through indicators. The institutions, however, do not produce sufficient indicators and management information to monitor:

- (a) rejected requests and the total number of requests (European Parliament),
- (b) adherence to tabling deadlines (SGC),
- (c) infringements of the Code of Conduct (European Parliament),
- (d) translated pages per requesting entity/language combination (European Parliament),
- (e) 'core' documents for which translation is mandatory (European Parliament & SGC),

⁽²⁰⁾ For the new languages, the price difference ranges from 15 % for Lithuanian to 38 % for Latvian. The average price difference is about 12 % (see Table 4) which is partly explained by the different contractual conditions. In particular the Parliament's contractor is obliged to accept translations and has to work within very short deadlines in the case of the translation of written questions.

- (f) translations carried out in full or in part which were not needed due to subsequent changes made to the original (European Parliament, Commission and SGC).

54. Moreover, the Commission neither monitors nor has any information on the volume of grey translations or documents translated by direct outsourcing by client DGs (see also paragraphs 45 and 75).

55. The procedures, organisation and working methods of the translation services are affected by specific constraints, such as urgent requests in particular at the Council, legal texts and the working agenda of the institutions. Table 5 shows the translation volume for which there is a very short deadline (less than 24 or between 24-72 hours).

Table 5

The applicable translation deadline

	Commission		Parliament		Council	
Lead time (in hours)	< 24	24-72	< 24	24-72	< 24	24-72
	3 %	7 %	19 %	30 %	40 %	22 %

Source: ICTI (Interinstitutional Committee for Translation and Interpretation).

Forecasts of demand

56. Accurate forecasting of demand is particularly important for ensuring maximum use of internal resources. In the short term, despite the apparently lower cost of external translations, outsourcing does not always save money. As internal translation costs are mainly fixed costs (see paragraphs 51 and 52), so the marginal (or extra) cost of, say, an additional page of internal translation is very low whereas the marginal cost of a page of external translation is considerable. Therefore, recourse to external translation should ideally be limited to cases where internal capacity is not available. This requires a good system for forecasting demand.

57. Although the Parliament's Code of Conduct states that 'on the basis of their work programmes, the secretariats of the committees, delegations and political groups shall draw up monthly translation forecasts indicating for each document the probable source language, the likely date of submission and the number of pages to be translated', no such forecasts are sent to Planning.

58. In 2003 and 2004 most Commission DGs did not systematically provide DGT with their translation forecast for a given period, and at the Council only a few DGs regularly informed DG A III of a forecast of translation needs.

59. In practice, the main sources of information about future workload are the work programmes of the institutions and the provisional agendas of the institutions' meetings, which give only a rough indication of translation needs and are thus inadequate for detailed planning.

Adherence to tabling deadlines

60. The Parliament's 2004 Code of Conduct prescribes a general tabling deadline ⁽²¹⁾ of 10 days. However, this deadline was only observed by the users of translation in about half of the cases during its first year of application. Most translations can thus only be provided shortly before the meetings.

61. In 1998, Council DG A III set tabling deadlines (10 working days for working group documents and five working days for Coreper documents). Because of time pressure inherent in the Council's functions, these deadlines are rarely observed. Most Parliament and Council translations are only provided shortly before the meetings.

62. The Commission has not imposed tabling deadlines, but DGT's planning unit regularly renegotiates deadlines with the users if the requested deadline is not feasible.

Planning

63. The Court's calculation of the full cost of translation in 2003 estimates the three institutions cost of planning at about 4,8 million euro, representing around 1 % of total translation costs (see Table 2). Planning is another instrument to achieve the most effective use of internal resources (see paragraph 56).

64. *Inter alia*, due to very short translation deadlines, see Table 5, Heads of units at the Council and the Parliament have little scope for long or mid-term planning or the potential to smooth out the workload.

65. The Council's planning system is based on the number of printed pages of the tabled document. This is not a reliable tool for forecasting translation time, as it often does not reflect the translation work actually required ⁽²²⁾.

66. The computer system at the Parliament allows the planning units to check the number of translated pages to be finalised per day. This provides a general indication of the capacity available per language unit, but does not provide up-to-date information on the available internal capacity of each unit for a given period, taking into account the availability of translators (leave, training, etc.).

⁽²¹⁾ A tabling deadline is the minimum incompressible time allocated to a translation service to issue a requested translation.

⁽²²⁾ The volume of work necessary to translate a document depends on a number of factors including the number of words that need to be translated (pages may contain texts of different length; only the amendments to a previously translated text need translation, etc.), the technical difficulty of the document and the availability of translated source or reference text.

Efficient use of internal and external resources

Pre-processing

67. In order to avoid the re-translation of texts previously translated, users are required by the translation services to indicate references to existing similar translated documents and/or to show changes made to the previous version of a document already translated. However, as these indications are often omitted or incomplete, the planning units are obliged to search databases for them. The codification of requests and of translated texts is not precise enough to optimise such searches. The situation is particularly difficult at the Parliament, where documents are scattered over various databases and networks, and translation services do not have a comprehensive collection of translated texts.

The translation units' working methods

68. The Heads of Unit are responsible for assigning jobs to their staff translators. The language units are each organised differently, some by groups of specialised translators, others following a 'first come, first served' approach. The Commission DGT and Council DG A III each have centrally developed tools showing the availability of individual translators. However, these tools are not used systematically by all language units. The Parliament does not have such tools. Some Heads of Division use spreadsheets, others allocate work manually.

69. All translation units consist of both translators and support staff. The latter are responsible for searching references, typing, formatting, archiving, etc. ... The Council ⁽²³⁾ and the Parliament employ about one secretary for two translators whereas the Commission employs only one secretary for four or five translators.

70. Despite the fact that the three institutions have declared policies encouraging the use of modern technology and spent 23,7 million euro on IT-tools in 2003 (full costs including licences, see Table 4), in practice each translator, with the tacit agreement of his Head of Unit, can decide on the use of computer-assisted translation (Translator's Workbench), research tools (such as Euramis, IATE, etc.) and voice recognition software (as opposed to typing). At the Parliament, the percentage of translators and support staff using these tools varies widely from one unit to another (from 10 % to 90 %). Only a marginal use of IT tools is made at the Council. The Commission has the most advanced IT tools of the three institutions but no information is available as to the level of use.

⁽²³⁾ After deduction of the time spent by secretaries on activities unrelated to the translation process.

71. Since 2003, about 100 of the 1 100 Commission translators have been involved in teleworking. According to DGT's evaluation report ⁽²⁴⁾, the current formula allows net annual cost savings of about 10 000 euro per translator, mainly thanks to higher productivity. At the Parliament, 26 out of 430 translators are involved in teleworking and the Council has also launched two pilot projects in this field.

Outsourcing

72. Both the Commission and the Parliament have a policy of always using internal translation for legislative texts (for quality reasons), as well as urgent, confidential and short documents (for practical reasons). As nearly all the translation work at the Council belongs to these categories, translations at the Council are mostly internal.

73. The decision to outsource to freelance translators is in principle taken by the Heads of the translation units (except for direct outsourcing as mentioned below), taking into account the type of translation and the available internal capacity. At the Commission and the Parliament a clear, positive correlation between workload and outsourcing percentage was noted for most language units in 2004. However, the audit showed that two Commission DGT units had high outsourcing percentages in 2004, although their workload was below-average (due to a

delayed reaction to the drop in workload compared to 2003) indicating an under-utilisation of internal capacity. The Parliament's French translation division had the second lowest workload in 2005, but the second highest outsourcing percentage. These situations have not triggered remedial management action.

74. Both the Parliament and the Commission automatically outsource some translation jobs without checking whether internal capacity is available for some or all languages. In 2003-2004 both institutions established the objective of increasing the percentage of translation work sent to freelance translators to respectively 30 % and 40 %, in order to cope with anticipated increases in overall demand and taking into account the lower cost of freelance translation (compared with recruiting additional full-time translators). Because of the structural drop in demand in 2004 the Commission DGT suspended this target and the Parliament gave instructions not to send translations other than CRE to freelance translators during the election period ⁽²⁵⁾. Whilst the overall workload per EU-15 language unit was about 20 % lower in 2004 compared to 2003, the Parliament's outsourcing percentage hardly changed (32,5 % in 2003 and 32 % in 2004) (see Table 6). The difference in the outsourcing percentages for the EU-10, from 2004 to 2005, at the Parliament, the Commission and the Council, is mainly due to the fact that the Parliament, in 2004, had been more successful in recruiting staff translators for the EU-10 languages than the other institutions. Due to a legislative slowdown in 2004 and the lower translation volume, the Parliament was able to translate a larger percentage of the translation tasks in the EU-10 languages in-house (see also paragraphs 20 and 25).

Table 6

Outsourcing percentages in 2003, 2004 and 2005

Outsourcing percentage	Commission			Parliament			Council		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
All languages	22 %	23 %	20 %	33 %	30 %	36 %	0 %	1 %	2 %
EU-15 languages	21 %	16 %	10 %	32,5 %	32 %	33 %	0 %	0 %	0 %
EU-10 languages	N.A.	60 %	37 %	41 %	20 %	43 %	N.A.	8 %	5 %

Source: Court of Auditors.

75. While direct outsourcing by client DGs is marginal at the Council and the Parliament ⁽²⁶⁾, the audit has shown that several hundreds of thousands of pages were outsourced directly by Commission DGs during the 2003 to 2004 period with no supervision from DGT (see also paragraphs 45 and 54).

Productivity

76. The productivity of the three institutions audited from 2000 to 2005 was reviewed for the purpose of comparing performances between institutions over time. The calculation of productivity used the concept of 'full time equivalent' (FTE), according to which the time considered as time used for translation is the time during which translators are effectively available for office work. Since in many cases this time includes activities other than translation (training, management, quality control, proof-reading of documents produced by other services etc.), the productivity based on FTE is a broad indicator only. Comparisons between institutions and between language units within a given

⁽²⁴⁾ European Commission, DGT, Translation Directorate, Evaluation Report of the Telework Pilot Project in the Translation Service, Brussels, 6 October 2003.

⁽²⁵⁾ CRE = 'Compte rendu in extenso': a detailed record of the debates, representing about 18 % of the Parliament translation volume in 2003 to 2005.

⁽²⁶⁾ The EP's political groups sometimes contract freelance translators directly if the planning unit rejects their requests (exceeding their weekly quota of 15 pages).

institution should be considered with caution. Care should also be taken to identify the reasons for the differences noted and possible constraints should be analysed in order to assess whether management can act directly.

77. Productivity, defined as the number of standard pages translated internally per internal translator FTE, fluctuates widely from one language division to another and from one institution to another. The productivity of the EU-10 language units in all the institutions is generally lower because of higher training needs, lack of experience, smaller translation memories (limiting the use of computer translation) and more time devoted to the revision of external translations.

78. The productivity of the EU translation services is much lower than in the private sector ⁽²⁷⁾. The higher productivity in the private sector is mainly due to the nature of the texts (few legislative texts), as well as the widespread use of IT tools. Despite texts of a lower degree of complexity, freelance translations are perceived to have a lower quality and need a higher level of revision than documents translated internally. A number of contracts with external bureaux have thus been cancelled due to the inadequate quality of the translations (see paragraph 43). However, in the absence of spare internal capacity, the higher productivity, combined with lower salaries, makes freelance translation significantly less costly than employing additional in-house translators, even when indirect costs (planning, tendering, payment, quality control, etc. ...) are included (see Table 7).

Table 7

Average number of pages translated per translator (FTE)

	2000	2001	2002	2003	2004	2005
Commission (per year)	915	902	909	1 054	917	797
Commission (per day)	5,2	5,2	5,1	5,7	5,0	4,5
Parliament (per year)	1 092	1 195	1 062	1 031	858	1 226
Council ⁽¹⁾ (per year)	602	653	772	707	648	669

⁽¹⁾ Council: until 2004 (included) EU-15 languages only.

Source: Court of Auditors.

Commission

79. The productivity of DGT, which, in most years, was slightly lower than at the Parliament, can to some extent be explained by the Commission's role as initiator in the legislative process. This implies a higher revision rate and a lead role in the development of terminology and databases, from which other institutions also benefit. Furthermore, Commission translation staff provide other language-related functions not reflected in translation output per day.

80. From 2003 to 2005, average productivity for the EU-15 languages dropped by more than 20 %. For most of the non-procedural EU-15 languages, productivity fell below four pages a day. This drop is due to the fall in workload for the non-procedural languages which has caused overcapacity. The overcapacity should be considered in the light of the level of direct outsourcing taking place without any supervision by DGT (see paragraph 75).

81. Even after the DGT's introduction of a so-called 'flexibility mechanism', allowing the transfer of translation jobs within the same language department from units which are temporarily facing an above-average workload to other units, significant productivity differences between units still exist ⁽²⁸⁾. The main explanation for these differences is variation in demand for translations of texts relating to various policy areas which determine the competences of the language units. The differences in productivity between DGT units have widened further since enlargement. The productivity of the most productive unit in 2005 is double the productivity of the least productive unit.

⁽²⁷⁾ See also PriceWaterhouseCoopers, Comité Economique et Social (CES) & Comité des Régions (CdR), 'Analyse comparative de la productivité des départements de traduction des institutions européennes', Bruxelles, 4 août 2000, p. 24: 'Il est à noter que la productivité d'un traducteur d'un établissement privé tourne aux environs de 8 à 10 pages par jour sans tenir compte de la production via "Translation Memory" (une page correspondant à 350 mots)' (350 words = 2 100 characters = 1,4 standard pages).

⁽²⁸⁾ Within the English department, for instance, the productivity in the first half of 2004 of the busiest unit was 65 % higher than the productivity of the unit with the lowest workload.

Parliament

82. During the last five years the Parliament has reduced the number of translators by an average of more than five FTE (or 15 %) per language.

83. The productivity of the English and French translation units at the EP is systematically below average (by 5 to 20 %, depending on the year) whereas productivity differences among the other EU-15 languages are limited to 10 %. This is explained by the French unit's higher-than-average number of translators coupled with an above-average outsourcing of translations. For the English unit there is a lower need for translations as most internal documents are drafted in English. Outsourcing levels and overcapacities are factors open to management decisions.

Council

84. The Council's productivity was systematically lower than that of the Commission and the Parliament. This can be ascribed to a combination of a high share of legislative documents requiring particular attention, highly fluctuating demand (a daily workload from less than 1 000 to more than 7 000 pages in 2003).

85. In order to deal with its problem of overcapacity, DG A III has adopted a long-term action plan to reduce the number of translators and secretaries in the EU-15 language units from about 50 FTE in 2002 to 25 FTE in 2015 ⁽²⁹⁾. However, the full effect of the plan is a long-term process because the Council maintains that there are limited possibilities of internal redeployment and low interinstitutional mobility.

86. The differences between the language unit's productivity are smaller at the Council (and the Parliament) than at the Commission (with the exception of the low productivity of the English unit at DG A III which is about 20 to 40 % lower than the productivity of the other units in 2003 to 2005). The editing of originals and the role of English as the main pivot language for translations of texts from the EU-10 languages, which raise considerable terminological difficulties, might to some extent explain this apparent low productivity.

Monitoring of the translation process using performance indicators

87. The institutions' main translation statistics are produced centrally and focus on the volume of translations per unit. These statistics are regularly used by management and resources units, but their use for daily monitoring purposes by the Heads of the translation units varies widely and some Heads of Unit have developed their own tools.

88. Some institutions have no performance indicators and no statistics on:

- (a) the actual time spent, versus the standard or estimated time, on the translation of a specific document (European Parliament, Commission and SGC);
- (b) the number of pages revised (Commission and SGC) and the time spent on revision (European Parliament, Commission and SGC);
- (c) the production and productivity of individual translators (SGC);
- (d) the volume of translations outsourced automatically by the planning units and those outsourced by the translation units (European Parliament and Commission);
- (e) failure to observe delivery deadlines (SGC);
- (f) the impact of IT translation tools on productivity (European Parliament, Commission and SGC);
- (g) crossed data, such as the correlation between workload and outsourcing (European Parliament, Commission and SGC) (see paragraphs 73 and 83).

89. The production and productivity statistics for the various translation services of the European institutions include text segments translated automatically, in particular by the Translators' Workbench (TWB) system. More refined calculation systems are used by private translation companies in order to calculate the real workload and the productivity of individual translators.

90. Unlike the other institutions, which only consider the amended parts of the text, the Council calculates its production on the basis of the printed pages (see also paragraph 65). As a result, the Council's production statistics overstate the actual number of pages translated by more than 50 %. Following the Court's audit, DG A III adopted a method similar to the one used by the other institutions.

Interinstitutional cooperation

91. The creation of the ICTI in 1995 has gradually allowed the EU translation services to cooperate in certain areas.

92. The main achievements so far are:

- (a) the creation of a common terminology database and translation memory;
- (b) an inter-institutional call for tenders for freelance translation from and into the EU-10 languages ⁽³⁰⁾;

⁽²⁹⁾ DGMA, *Plan d'action pour la modernisation administrative du SGC (PAMA)*, 30 May 2002, section 11: *Réforme de la DG A III*.

⁽³⁰⁾ However, the Commission made almost no use of the list and organised its own call for tenders.

- (c) a joint tendering procedure for the acquisition of voice recognition software and other multilingual tools;
- (d) a joint committee for the evaluation of outsourced translations (CIEQ);
- (e) a limited exchange of translators and of translation workload.

93. The Court's analysis of the nature and the timing of supply and demand shows that whereas all institutions face structural difficulties in providing a sufficient volume of translations of an acceptable quality into the EU-10 languages, there are clear differences as far as the EU-15 languages are concerned. English translators, for instance, face the highest workload of all languages at the Commission DGT (see paragraph 86), but the lowest at the Council and the Parliament. As Council and Parliament work with very short delivery deadlines and widely fluctuating demands, they also have temporary spare capacity during some periods (see paragraph 84).

94. In line with the conclusions of the task force on workload balancing, a pilot project was initiated on 1 January 2005. In 2005, 3 763 pages (or 63 % of the requested volume) were translated by one of the participating institutions at the request of another institution. This corresponds to just 0,2 % of the total workload of all the institutions involved, while more than 20 % of the same workload is allocated to freelance translation. The savings can be estimated at 1 50 000 euro ⁽³¹⁾. As the total spare capacity is much higher than the capacity made available to other institutions in the framework of the pilot project, the potential savings are higher.

95. It is, however, a weakness in the current system of workload balancing that documents which are normally outsourced and translations into the EU-10 languages are excluded from the system. In addition, the institutions do not sufficiently inform each other of the spare capacity available and have no real incentive or obligation to accept a translation request just from another institution. Had the Commission's DGT's internal translators of the EU-15 non-procedural language units reached the same productivity in 2005 as in 2003, they would have translated at least 10 000 pages more for each of the EU-15 languages. In 2005, the Parliament and several Commission DGs outsourced a similar number of pages of non-urgent documents in the same languages which could have been translated by another institution. Total payments of about 11 million euro for freelance translations could thus have been avoided ⁽³²⁾.

CONCLUSIONS AND RECOMMENDATIONS

The procedures applied to ensure that translation demands are met and unnecessary translations are avoided

96. None of the institutions has consistent and clear procedures for requesting or authorising translations. The implement-

ing rules established by the three institutions prescribe mandatory translation for certain types of documents. There is, however, a large area for which no commonly accepted criteria exist and where documents are dealt with on a case-by-case basis depending mainly on availability of resources (see paragraphs 13 to 18).

Recommendation: *In view of the necessity to set priorities and restrictions in order to match a steadily growing demand for translations, the institutions should streamline their procedures. This should include control of the size of documents, a further differentiation of texts according to their nature and purpose and the adoption of a fit-for-purpose approach for authorised texts for translation.*

97. The audit showed that translation needs in the EU-15 languages can generally be met. However, the accession of small countries has created a large increase in demand in small translation markets, where supply is rather limited. The difficulties encountered with the launching of EPSO competitions to select staff translators for the EU-10 languages have meant a shortage of translators from the new Member States. As a result, during the first year after enlargement, the institutions were not capable of satisfying translation needs for the new languages (see paragraphs 19 to 23).

Recommendation: *There is still a need to considerably increase the internal capacity of the institutions for the EU-10 languages. The Commission should organise a critical review of EPSO's failure to recruit the needed staff translators in time. This should lead to an action plan designed to increase awareness and foster interest in the Community's translation activity in the EU-10 Member States and other Candidate Countries.*

98. Generally the institutions managed to contain expenditure on translation despite an increase in the number of official languages from 11 to 21 (including Irish) since May 2004 (see paragraphs 25 to 36). While the Commission and the Council took significant measures to reduce the number of documents to be translated into all languages, the Parliament has been less ambitious in the reduction of translation volume by limiting only the size of documents for translation but not the number and types of documents (see paragraph 32).

Recommendation: *The translation services could enter into Service Level Agreements with their users, establishing more stringent guidelines on the type of documents requiring translation, the required language versions, the stage at which a translation should be initiated, the total number of pages per year, the recourse to automated translation etc. Some coordination by the institutions might also prevent inconsistencies in their respective approaches.*

⁽³¹⁾ At a variable cost of 40 euro per page.

⁽³²⁾ Taking into account only the variable costs of freelance translation, estimated at 40 euro per page.

The procedures applied to ensure that translations are timely and of adequate quality for their purpose

99. The three institutions generally managed to deliver translations into the EU-15 languages on time and with the required quality (see paragraphs 41 and 44). The situation was, however, different for the EU-10 languages, because of an insufficient number of translators. At the Commission and at the Council the internal capacity for the EU-10 languages in 2004 was not even sufficient to revise freelance translations and most clients considered the quality of the translations unsatisfactory (see paragraph 42). None of the translation services measures users' satisfaction.

Recommendation: *The institutions should conduct regular satisfaction surveys among the various users of translation services including the application of deadlines. Such surveys could be used as input to action plans for the improvement of service quality and productivity.*

100. The Parliament and the Council have no precise guidelines on quality control, and revision practices vary significantly. However, the institutions generally perform adequate controls in order to identify poor quality translations (see paragraphs 37 to 43). While the Directorate for Translation at the Parliament evaluates the quality of both internal and external translations through bi-monthly random checks and quality indicators, no such control or performance indicators are produced by the other institutions.

Recommendation: *In addition to the systematic quality control performed on outsourced translations and to the supervision exercised by each Head of Unit, it would be advisable to perform regular random quality checks in each language section. This, combined with users' satisfaction surveys, could form the basis for qualitative performance indicators.*

101. Some Commission DGs reported that they had to rely on 'grey translations' or direct outsourcing as DGT could not provide certain translations within the required deadlines. The volume of these translations is not clear and the cost is not included in the Court's calculations as the amount of time spent by administrative staff on grey translations is not available (see paragraphs 45, 54 and 75).

Recommendation: *The level of direct outsourcing and 'grey translations' should be monitored by the translation services in order to take this translation volume into consideration during the planning.*

The cost and the efficiency of translation

102. With the exception of the Commission for 2002, the institutions have calculated neither their total translation costs nor their average cost per page. The Court estimates the annual

full cost for translation for the three institutions at 414 million euro before enlargement (see Table 4) and 511 million after enlargement. The average cost per page in 2003 was 150 euro at the Commission and at the Parliament, and 254 euro at the Council. In 2005, the average cost per page has risen to 194 euro at the Commission and 276 euro at the Council, but has dropped to 119 euro at the Parliament.

103. Internal translation is more expensive than freelance translation, but comparison is made difficult by the different nature of the texts translated, the higher perceived quality of internal translation, short deadlines applied to internal translations for certain documents due to working methods, particularly at the Parliament and Council and the revision required for external translations (see paragraph 52).

Recommendation: *Being aware of the cost of an activity is essential for controlling its expenditure. Procedures to ensure adequate management information on costs should thus be implemented.*

104. Due to a large decrease in the workload, the productivity of most EU-15 language translation units dropped significantly in 2004 and consequently the average cost per page rose (see paragraphs 51 and 76 to 86). Because of the measures taken to reduce the translation demand, the Commission and the Council have had spare capacity since 2004 for the EU-15 non-procedural languages.

105. The audit showed that the planning units of the three translation services are currently more involved in work allocation than in establishing translation forecasts in order to plan the workload and smooth the peaks of activity (see paragraphs 56 to 59, 63 to 66 and 91 to 95).

106. The adjustment of workload is a key issue. A reduction in the translation volume results in a transitional period of over-capacity, lower productivity and a higher average translation cost. However, the Court noted that some units had both low productivity figures and above average outsourcing percentages (see paragraphs 73 and 74). The lack of workload forecasts (planning) makes it more difficult for the institutions to take full advantage of temporarily available capacity at other institutions (see paragraphs 91 to 95, as well as paragraphs 56 to 66).

107. In 2005, the Parliament and Commission DGs (other than DGT) outsourced a large number of pages that could have been translated internally by another institution. The Court thus estimates that total payments of about 11 million euro to freelance translators could have been saved (see paragraph 95).

Recommendation: More emphasis should be placed on the processes of management and planning in order to smooth the peaks and troughs in the translation workload and facilitate more effective interinstitutional cooperation. Regular and reliable forecasts of future translation tasks should be sent to the planning units and the institutions should inform each other of available internal capacity.

Spare internal capacity should be used to reduce the level of outsourcing by Commission DGs (other than DGT) and by other institutions by extending the pilot exercise initiated in January 2005 on interinstitutional cooperation. A system of interinstitutional billing for translation could give institutions with temporary or structural spare capacity an incentive to cooperate with other institutions.

At the Council, further efforts should be made to adjust to the structural overcapacity. The possibility of redeployment outside the translation services or the application of other provisions of the Staff Regulations should be considered as the existing action plan only expects to resolve the present overcapacity by 2015.

108. Even though the institutions have invested in advanced modern technology, it is not used in a systematic manner (see paragraphs 68 to 70).

Recommendation: The efficiency of the translation process could be improved through:

- a reduction of secretarial support at the Council and the Parliament,
- harmonised working methods based on best practices,
- further integration and more intensive use of computer tools,
- an increased use of teleworking.

109. The translation services do not produce sufficient management information to follow up on the translation costs such as the actual time spent on translation and revision, detailed productivity figures, outsourcing level etc. (see paragraph 88).

Recommendation: In order to use productivity as a management indicator, the institutions should develop systems which better reflect all the activities of staff translators (including time spent learning new languages). In order to enable a better use of resources, efforts should be made in all institutions to develop relevant qualitative and quantitative performance indicators.

This Report was adopted by the Court of Auditors in Luxembourg at its meeting of 6 July 2006.

For the Court of Auditors
Hubert WEBER
President

ANNEX I

THE PROVISIONS APPLYING AT THE COMMISSION, THE PARLIAMENT AND THE COUNCIL

Commission

1. The Rules of Procedure of the Commission ⁽¹⁾ specify that all acts adopted by the Commission shall be attached to a 'summary note' (in the oral procedure) or 'day note' (in the written, empowerment or delegation procedure) ⁽²⁾, in the authentic language or languages, i.e. in the official languages of the Communities in the case of instruments of general application and the language or languages of those to whom they are addressed in other cases (Article 18 of the Rules of Procedure).

2. Although 'comitology' Committees come under the Commission itself ⁽³⁾ and Council Regulation (EEC) No 1/1958 of 15 April 1958 applies to their work ⁽⁴⁾, an explicit reference to the language regime was deliberately not introduced in the Standard Rules of Procedure ⁽⁵⁾, so as to allow each committee to find pragmatic solutions tailored to its real needs. Documents that would, in any case, be translated at a later stage (in particular, draft measures whose final version must be published in the OJ) are in principle already translated for committee meetings.

3. A note from the Secretariat-General ⁽⁶⁾ issued in June 2004 specifies that 'for those implementing measures which are addressed to a reduced number of Member States only, a translation in the corresponding languages would be sufficient, together with a communication published in the *Official Journal of the European Union* announcing the adoption of the decision and informing the reader of the website on which it is accessible. Full translation is required only if the publication in the *Official Journal of the European Union* is a legal precondition for their coming into force (i.e. for regulations, directives and decisions of the EP and the Council adopted in codecision and Commission regulations and directives addressed to all Member States, but not for Commission decisions).'

4. The May 2004 Communication distinguishes between documents resulting from legal obligations (subdivided into nine categories) and documents of political importance (subdivided into 11 categories). The translation of certain categories of documents, such as publications other than the *Official Journal of the European Union*, is not covered by the Communication and must be decided on a case-by-case basis through dialogue between the requesting DG and DGT ⁽⁷⁾.

5. The main categories of documents translated into all languages are: legislative proposals, explanatory memoranda, reports required by legal texts, announcements of State aid and antitrust procedures published in the Official Journal, as well as the subsequent final decisions published in the Official Journal, anti-dumping decisions, Communications of the Commission (including white and green papers), calls for tenders or for manifestation of interest and press communiqués.

6. Other documents are only translated into the procedural languages (English, French and German) (in particular communications to the Commission, follow-up reports of Council decisions and Commission proposals), or into the language of the addressee (i.e. letters to permanent representations, replies to individual requests and financing proposals). Technical annexes are translated into no more than three languages, or are not translated at all, depending on the 'real needs'. Replies to written parliamentary questions are translated into the language of the Member of European Parliament who has asked the question and into one procedural language.

Parliament

7. Pursuant to Rule 138 of the Parliament's Rules of Procedure, 'all documents of the Parliament shall be drawn up in the official languages'. Article 150 states that 'amendments shall be put to the vote only after they have been printed and distributed in all the official languages, unless Parliament decides otherwise. Parliament may not decide otherwise if at least 37 members object.'

⁽¹⁾ Rules of Procedure of the Commission, C(2000) 3614 (OJ L 308, 8.12.2000, p. 26).

⁽²⁾ These notes record all decisions adopted by the Commission during the meeting (summary note in the oral procedure) or during the day (day note for the other procedures).

⁽³⁾ Judgment of the Court of First Instance, of 19 July 1999, Case T-188/97, Rothmans International BV versus Commission.

⁽⁴⁾ European Commission, Note of the Secretary-General for the attention of Directors-General and Heads of Services, SEC(2003) 795, 10 July 2003.

⁽⁵⁾ Standard Rules of Procedure — Council Decision 1999/468/EC — Rules of procedure for the ... committee (OJ C 38, 6.2.2001, p. 3).

⁽⁶⁾ European Commission, Secretariat-General, Task Force Future of the Union and institutional questions, Director, *Note for the attention of Mr Madelin, Director General of DG SANCO*, 23 June 2004, TFAU/2 — RH — nb (2004) D/6980 5/1208 — A/DOS 6242).

⁽⁷⁾ The 20 categories of the May 2004 Communication covered 64 % of the translations in 2004 and 72 % in 2005 versus 34 % in 2003. The main categories in 2005 are: legislative proposals and autonomous acts (36 %), State aids and competition procedures (10 %), communications from the Commission (7 %) and tendering procedures (6 %) and web pages (4 %).

8. On 19 April 2004 the Bureau of the European Parliament adopted a Code of Conduct which entered into force on 1 May 2004 and replaced a similar Code of Conduct of 8 February 1999. Article 1(2) of the Code of Conduct states the following: 'Language facilities in Parliament shall be managed on the basis of the principles governing "controlled full multilingualism". Accordingly, the right of Members to use in Parliament the official language of their choice, pursuant to Parliament's Rules of Procedure, shall be fully respected. The resources to be devoted to multilingualism shall be controlled by means of management on the basis of users' real needs, measures to make users more aware of their responsibilities and more effective planning of requests for language facilities.'

9. The documents with the highest number of target languages are amendments, draft opinions and draft reports. For all the other document types, target languages range from one (mainly English) to four. *Table 8*, drawn up for the purpose of the audit, gives an overview of the types of documents which are translated at the Parliament.

Table 8

Types of documents translated by the European Parliament

Figures from 1 January 2003 till 31 May 2004	Document type	% of translation	Mandatory into all languages	Non-mandatory into all languages
Compte rendu	CR	19,3 %	×	
Amendment	AM	17,6 %	×	
Miscellaneous ('Divers')	DV	15,1 %		×
Draft reports	PR	9,8 %	×	
Rapport révisé	RR	7,3 %	×	
Written questions	QE	5,9 %		×
Procès-verbal	PV	5,2 %		×
Communications to the Members	CM	4,2 %		×
Working Documents	DT	3,2 %		×
Notes	NT	2,3 %		×
Draft opinions	PA	2,2 %	×	
Resolutions	RE	1,7 %	×	
Letter	LT	1,2 %		×
Agenda	OJ	1,1 %	×	
12 other specific categories representing each maximum 1 % of the total translation volume		3,9 %	×	×

Source: Court of Auditors.

10. A document published in the *Official Journal of the European Union* or voted on in plenary will always have to be translated into all official languages, whereas translation of working documents can be restricted to the language needs of the readers.

Council

11. Pursuant to Regulation No 1 and Article 14 of the Council's Rules of Procedure ⁽⁸⁾, translation into all official languages is required for documents discussed at ministerial meetings, except as otherwise decided unanimously by the Council on grounds of urgency. Any member of the Council may oppose discussion if translations are not available.

⁽⁸⁾ Council Decision of 22 March 2004 adopting the Council's Rules of Procedure (2004/338/EC, Euratom) (OJ L 106, 15.4.2004, p. 22).

12. The Annex to the *Guide for producing documents for the Council and its preparatory bodies* lists the 'core documents' which have to be translated into all languages ⁽⁹⁾. As stated in the guide, documents that are not on this list may not be translated into the EU-10 languages. These documents may be translated into the EU-15 languages, on a selective basis, if the volume of work of DG A III allows it, and the deadlines laid down in the rules of procedure are respected. DG A III is given authority to refuse the translation of any document not on the list.

⁽⁹⁾ The Council's core documents are: draft legislation at certain milestone stages; agendas for the Council; 'A' item notes and their addenda; documents for adoption or discussion by the Council agenda; opinions of the legal service; Council minutes; Council replies to European Parliament written questions and oral questions with debate; declarations by the Presidency on behalf of the Union; press releases for sessions of the Council; written procedure telexes; manuals which are intended for use by national departments in Member States; European Council Presidency conclusions.

ANNEX II

THE METHOD DEVELOPED BY THE COURT TO ESTIMATE TRANSLATION COST

1. The full cost (cost before tax and pension), as estimated by the auditors, includes all the direct and indirect costs related to the translation activity.
2. By deducting the Community tax paid by staff translators from the 'cost before tax and pension' and by adding the fictitious employer's pension contributions for staff translators (which are equal to twice the contribution paid by the official), the cost to the Community budget is obtained (cost after tax and pension).
3. Direct costs are the staff costs of the activities related to translation, performed by translators or secretaries (including pre-translation by the translation units, revision and formatting, and excluding the time spent on tasks other than translation).
4. Indirect costs include the salaries and allowances of staff who are not directly involved in specific translation tasks (terminologists, working method specialists, Heads of Unit, language advisors and senior management, freelance unit and planning) as well as a pro rata for time spent by translators on activities other than translation or revision, plus overhead costs such as IT, buildings and office furniture, human resources management, etc., which in part are not directly managed by the translation services. The split between direct and indirect cost was agreed with the institutions.
5. To work out the staff cost the following elements have been used:
 - the average staff cost established by Directorate-General for Personnel and Administration of the Commission for each grade. This staff cost included all salary and allowance items. The audit team considered two different average staff costs: before and after deducting tax and adding pension contributions ⁽¹⁾,
 - the specific mix of grades of the translation service of each institution,
 - the buildings costs (5 854 euro per official), as defined by an external consultant in collaboration with the institutions,
 - the average cost of payroll and human resources management, according to a pro rata defined by DGT (for the Commission) or by an external consultant (for the other institutions).
6. The amount of the IT cost was worked out in the light of the 2003 budget implementation for the specific budget lines and the average acquisition and maintenance cost of the IT equipment as established by the IT and Finance services.
7. As internal translators carry out quality control and revision of translations made by freelance translators, part of their time and cost was allocated to external translation.
8. The total translation costs of the three institutions were then divided by the number of pages translated per year to obtain the cost per page (see *Tables 2, 3 and 4*). For the Commission and the Parliament the official number of pages translated, as produced by DGT and DG VII, were used, as the page count methods used by these two institutions (see footnotes 8 and 9 in the report) lead to comparable results. As the official Council figures for 2003 were simply based on the number of printed pages of the documents, instead of on the number of characters to be translated, the Court calculated the average correction factor for a sample of 100 documents ⁽²⁾. By multiplying this average correction factor by the official number of printed pages issued by DG A III, a comparable production figure was obtained.
9. The cost per page calculated by the Court is not the full cost of multilingualism, as it does not include the cost of revision by the lawyer-linguists or the additional costs of publishing documents in 20 languages. As during the legislative process many consecutive versions of the same draft legislation are translated, the actual cost of adopted legislation is a multiple of the cost per page mentioned in *Table 2* of the current report. As an example, 15 versions of the Constitution for Europe were translated.

⁽¹⁾ The pension contributions borne by the Commission were estimated at 16,5 % of the gross salary or twice the contributions paid by the officials.

⁽²⁾ The correction factor to be applied to the page count of each sampled document in order to make the documents comparable with those of other institutions is equal to the ratio between the number of characters (or, in case the document is a new version of a document already translated, the number of modified characters marked up by 50 % as DGT does for internal translations) without blanks divided by 1 500, and rounded up to the unit, on the one hand, and the number of physical pages, on the other.

PARLIAMENT'S REPLIES

1. Within the European Parliament, the number of working languages has not been reduced. This means that all sittings documents and documents for meetings of official bodies are translated into all the working languages of the Union.

13-14. In connection with translation work, Parliament applies its Rules of Procedure and the Code of Conduct on Multilingualism adopted by the Bureau, which entered into force on 1 May 2004.

While the code of conduct does not of itself constitute an authorisation system, it does establish a ranking of bodies authorised to request translations, lays down a set of priorities concerning the types of document to be translated, both in-house and externally, during the various legislative procedures, and an order of priority for the languages requested, and lays down deadlines for submitting translating requests as well as limits on the length of the texts to be translated. The code of conduct also lays down conditions requiring express authorisation of translation requests made by entities that are not included on the list of authorised users. Such requests are submitted to the Bureau and authorisation is given only if the document in question is of essential importance to Parliament's business.

15-16. Access to the system is granted solely at the request of the head of a requesting service. However, as part of the overhaul of the GEPRO IT system (ITMS project) all the current accesses will need to be re-authorised and, as far as is possible, the overall number will be reduced. In Parliament's view, the risk to which the Court refers is minimal owing to the restrictions set in place by the afore-mentioned provisions.

See also the reply to points 13-14 above.

17. Although this does not happen frequently, in some cases Planning reduces the number of languages requested, either in accordance with the rules on language profiles or with other specific exceptions of which the requesting services may have failed to take account.

Approximately 90 % of the time, translations are delivered prior to the meeting date. In cases where the deadline cannot be met, the text is translated only if it will serve as the basis for the next stage in the procedure.

20. The situation was as follows in April 2006: 238 FTE translators (FTE = full time equivalent), of which 25,75 CS, 25 ET, 26 HU, 24,5 LT, 28 LV, 23 MT, 31 PL, 26,75 SK and 28 SL, and 5 heads of unit (CS, LV, PL, SK, SL), plus one acting head of unit (MT), were responsible for translating into the EU-10 languages.

23. Within Parliament, translations from the new languages have almost always been performed by translators whose mother tongue is the same as the target language.

Parliament does not restrict the number of working languages and does not recognise the concept of 'procedural languages'. (See also the reply to point 1).

26. The concept of 'procedural languages' does not exist within Parliament. (See point 23).

32-33. The concept of 'language profiles' has been introduced under the code of conduct. As the Court points out, documents considered by the parliamentary committees are translated only into the languages of the full and substitute members of the committees.

36. In Parliament's views, the approaches are not inconsistent because they meet the specific needs of each institution, and those needs differ from institution to institution.

37. Parliament would draw the Court's attention to the quality action plan drawn up by the Interinstitutional Committee for Translation and Interpreting (ICTI) at the request of the secretaries-general of the institutions, which will be implemented in the near future. The plan sets out 14 practical measures, some of which apply to both translation and interpretation, in areas such as human resources, the technical and linguistic quality of originals and translations, documentation, terminology and tools. Provision has been made for an official in charge of quality to be appointed in each of the services concerned.

39. It is important to point out that within Parliament systematic checks are made for all types of error, and this includes checking that the correct terminology has been used.

40. Although a specific tool to measure user satisfaction has not been introduced, there is a procedure for submitting complaints, for which a specific form exists. Furthermore, the 'clients' in the EU institutions, particularly MEPs, have sufficiently close links with the Secretary-General to be able at any time, and without having to follow a specific procedure, to express their dissatisfaction should they have cause to do so.

47. This provision of the code of conduct cannot be implemented under the current system. However, the ITMS project currently under development will contain a billing module designed for this purpose.

52. As the Court points out, it is important not to focus solely on the price indicator which, taken in isolation, cannot reflect the realities of the translation process; account should also be taken of factors such as quality, deadlines and document types.

53. Parliament's translation and planning services have started to compile statistics covering three of the points raised, namely:

- (a) the total number of requests;
- (c) failure to meet submission deadlines (= breach of the code of conduct);

- (d) the number of pages translated by requesting service/language combination.

These statistics are intended to provide performance indicators enabling management to take appropriate action.

56. Planning of this kind is indeed necessary. However, some aspects of the work of a political institution are inherently unforeseeable.

66. The EP has initiated a preparatory study into a new management system (T-Flow). This system, which will enable Parliament to meet the concerns raised by the Court, is currently in the development stage and will be operational in the autumn of 2006.

67. The relevant IT departments are currently looking into the 'scattered documents' issue raised by the Court. The translation units do, nonetheless, have a translated-work repository in which to search for texts already translated.

69. The ratio is 1 to 2 for the EU-15 languages. For the EU-10 languages, the secretaries/translators ratio is currently approximately 0,7 to 2 and should not go higher than 0,8 to 2.

70. It is true that IT use is not yet uniform throughout the translation service and that working methods sometimes differ. This is due in particular to the large differences in the age of staff. However, as a result of the extensive experience of the more senior translators, per capita productivity is much the same between age groups. The EP Bureau would like to ensure better use of new technologies and has instructed the Secretary-General to submit a report on the issue. Parliament's administration is currently in the process of preparing this report.

73. It is important to put the remark concerning the French Unit's internal capacity in its proper perspective. That capacity was not underused; it was used for other, additional work. The FR Unit was obliged to devote a particularly large amount of time to setting up and managing the new Polish and Lithuanian Units and to language courses to prepare translators to translate from the EU-10 languages. Its additional tasks also included providing relay translations for other language units and transcribing and revising the Verbatim Report of Proceedings of part-sessions and the 'economic and monetary dialogue'.

74. The remark requires clarification because, as the Court notes, the outsourcing of translation work, excluding the CRE, was suspended during the period referred to.

As regards the stable outsourcing rate, the apparent contradiction with the lower overall workload does not bear scrutiny. The reason why the average outsourcing rate hardly changed despite the decrease in the workload is that the main bulk of the workload fell in the first part of the year, which resulted in more work being outsourced during that period.

83. The EP cannot endorse the Court's conclusion that productivity is lower in the two units referred to, given the difference in the substance and nature of some of their tasks compared to those of other units. This difference requires the deployment of additional human resources. The fact that the English and French units produce fewer-than-average pages translated in-house can be explained by the fact that they serve as a relay for translations from lesser-used original languages, by larger volumes of originals to revise and edit, by a larger volume of verbatim reports of proceedings to transcribe and revise, by the need to manage some of the new units and by EU-10 language training needs. Furthermore, since the autumn of 2005, the English Unit has been sharing responsibility with the Tabling Office for systematic verification of originals.

See also the reply to point 73.

95. In the event of an overly heavy workload in the language units, Planning first looks into whether workload balancing is feasible on the basis of the language combinations involved and availability in the other institutions.

The EU-10 languages have been excluded only for the time being. Once the EU-10 language units have a full complement of staff, they will be involved on the same basis as the EU-15 language units.

It should be emphasised that active cooperation between the institutions' planning units in connection with workload balancing did not start until 2006. The statistics for the first quarter of 2006 show a significant increase in the volumes exchanged.

96-109. The EP notes all of the Court's recommendations and will take appropriate action thereon. In particular, an ad hoc working party has started work on a revision of the code of conduct. IT projects covering some of the issues raised by the Court are also under way.

COUNCIL'S REPLIES

GENERAL REMARKS

The General Secretariat of the Council (GSC) welcomes the first audit on translation expenditure in some of the EU institutions and acknowledges its usefulness. It would point out that changes to aspects which were criticised in the course of the audit have already been implemented or are under active consideration in the Language Department.

The GSC would nevertheless like to stress that, faced with the major challenge of enlargement, it put in place for its entire structure a controlled approach, which was endorsed at the highest political level in 2002, and which made it possible to limit the budgetary impact of enlargement on its administrative costs.

Specifically, in the area of translation, whereas an extrapolation of the approaches adopted for previous enlargements would have resulted in an increase in staff numbers in the Language Department of approximately 765 new officials, the controlled approach referred to above will ensure a drastic reduction in overall figures when these measures are fully operational. At the end of the current period of adaptation and adjustment, the GSC will have fewer translators for a Union consisting of 25 Member States (551) than it had for a Union of 15 Member States (578).

This result has been made possible *inter alia* by limiting translation to the documents deemed essential to the political and legislative process (the so-called core documents), by implementing an in-depth rationalisation of the translation services, and by adopting guidelines on the drafting, content, register and length of Council documents. In doing so, the GSC has set the path for other institutions to follow.

The GSC acknowledges that, as a consequence of this approach, it now faces a problem of overcapacity in the EU-15 language units, but it stresses the transient and non-structural nature of this situation, which, in its view, must be evaluated from a dynamic point of view, duly taking into account the undeniable middle- and long-term benefits which will result in terms of controlling administrative expenditure.

The GSC also points out that, as the last link in the legislative chain prior to approval and publication of legislation in 20 languages, the Council, together with the European Parliament as regards co-decisions, must ensure that legislation adopted by the Council is of the highest quality as repeatedly demanded by the Member States. This is also true for the Council's political texts.

The quality control procedure necessary to ensure such quality and consistency naturally leads to additional costs. Unlike other institutions which can use the services of freelance agencies extensively for certain documents in order to reduce costs, this avenue is not open to the GSC, as in-house translation is the best and most cost-effective way to ensure such quality. The need for high quality texts for publication has, of course, a major impact on the cost of translation in the Council.

The GSC is however tackling this problem of overcapacity in a proactive manner and within a policy-mix addressing simultaneously all the aspects of the problem. In addition to the fact that translators or secretaries who left the nine EU-15 language units (other than English and French) after 2002 have not been replaced, Translation Department staff are actively encouraged to apply for vacancies in other DGs and directorates. A special redeployment programme, which includes identification of adequate posts, training for new functions, and motivation for change, is being set up.

Moreover, the GSC is participating actively in the interinstitutional 'Workload balancing' project as a net contributor and is also considering interinstitutional mobility and other possible measures provided for by the Staff Regulations.

The GSC is therefore confident that it will successfully remedy the weaknesses highlighted in the report, in particular those of a transitional nature, and that it will efficiently fulfil its mission within the limits set for its operations.

COMMENTS ON THE FINDING OF THE COURT

EXECUTIVE SUMMARY

III. Although the GSC does not have written translation guidelines, the Coordination and Production unit (Central Coordination) ensures a controlled production of translations.

IV. The problems experienced in 2004 for the EU-10 languages had to do with the difficulties in recruiting staff (see comments on paragraph 19 below). Quality and timely delivery of translation improved significantly in 2005. In 2006, this improvement can be seen by the reduction in requests for translations sent to freelance agencies.

V. Since the second half of 2005, the Head of Central Coordination resumed close contacts with Permanent Representations, especially from the EU-10, with a view to:

- (a) having feedback on:
 - the quality of translations,
 - the amount of translated documents,
 - the availability of those documents at the meetings,
 - the relations between C&P and the translation teams, on one hand, and Permanent Representations and the national authorities, on the other;
- (b) exchanging information on:
 - the functioning of the Council, namely the circuit of documents,
 - the situation of the translations teams, particularly in terms of staff,
 - general issues of terminology, deadlines, etc.

A mailbox is to be launched in the very near future. That mailbox will concentrate all the comments from the delegations, provide an overall view of the perceived quality of the translations produced by the Council and improve the synergy between translation teams and delegations. The delegations were informed of this on 5 May 2006.

VI. The General Secretariat of the Council intends to set up a system which would allow a permanent review of the cost of translation. There are, however, reasons why GSC translations are expensive, and which are discussed in greater detail elsewhere in this document: the specificities of the Council's work and its deadlines, the need to ensure adequate quality in legislative documents near the end of the production chain, and the temporary structural reasons linked to the restructuring of the Directorate.

VII. The GSC intends to reduce overcapacity, for example by means of internal redeployment (to other DGs) and interinstitutional mobility (to translation departments in other institutions).

Moreover, the GSC is examining all possibilities provided by the Staff Regulations.

VIII. The GSC is a major contributor to the workload-balancing system and has accounted for the translation of 55 % of the total number of pages processed under this system in 2005.

IX. In 2004 and 2005, the GSC developed a coherent policy on the use of modern technology. All the new language units have worked with the available IT instruments since their creation, for the 'old-language' units the policy is currently being rolled out in line with the development of appropriate IT tools.

INTRODUCTION

6. The GSC does not have a freelance unit, or an IT unit attached to its translation department. The structure in place in the GSC is therefore lighter than the other institutions.

OBSERVATIONS

13. The GSC has clear procedures, although these might be improved.

It should be noted that those who can request a translation are defined in the General Secretariat of the Council and known to Coordination. Similarly, types of documents which should be translated are clearly defined in the list of core documents.

14. The GSC is reluctant to take a differentiated approach to EU-10 and EU-15 languages which could leave it open to accusations of discrimination.

15. The conclusion of the Court on the translation request is correct. However the acceptance of the requests depends on the control structure in place.

16. In the Council, Central Coordination, which is upstream of the Translation Department, always checks the appropriateness of a translation before sending the text to one or all the 20 units. In case of problems the Head of Central Coordination intervenes and contacts even with the Presidency may ensue. Central Coordination, namely Coordination DG and Linguistic Coordination, is in constant contact with DGs and also to a lesser extent with the Presidency, and this enables it to make informed judgments on the appropriateness of translations and to prioritise translations in the event of insufficient translation resources.

18. The authorisation and refusal of translations is a task of the Coordination (especially *Tour de Contrôle*). The situation is satisfactory in the Council's view. Improvements are however possible. Excluding the 'check by management', statistics on refusals may be prepared for further analysis. No measures are required as far as authorisations are concerned.

The fact that the 'acceptance of translation requests ⁽¹⁾ often depended more on the availability of translation capacity than on actual needs' is inevitable, due to:

- the staff 'overcapacity' or shortfalls in certain translation units,

⁽¹⁾ Non-core documents.

- the policy of reducing overtime work to a minimum,
- the two different translation speeds (EU-10 vs. EU-15).

Translations that are really needed are never refused.

19. The recruitment made through EPSO has turned out to be more difficult than expected as a result of the short number of suitable candidates, despite the best efforts made by the institutions to raise the awareness of Member States and other parties to this problem.

20. It cannot be implied that the fault of not achieving the recruitment targets falls to the individual institutions. Unfortunately, this situation (shortfall in staff numbers) will continue

even after that date (late 2006), not only as regards translators, but also as regards Heads of Unit, quality controllers and secretaries.

23. It is correct to state that very few translators in the EU-15 units other than EN and FR have knowledge of an EU-10 language. That is the result of a deliberate policy decision carefully designed to increase the number of official languages from 11 to 20 without requiring a commensurate increase in staff levels. In preparation for the 2004 enlargement, the GSC has been organising training for translators in the EN and FR units in one or more EU-10 languages, and this has led to the situation presented in the following table (situation as of 22 May 2006).

EN and FR translators knowledge of EU-10 languages (situation on 22 May 2006)

	CS	ET	HU	LT	LV	MT	PL	SK	SL
FR	2	0	1	0	0	0	3	0	0
EN	4	3	4	2	3	0	2	4	4
Total	6	3	5	2	3	0	5	4	4

Moreover, the GSC is also examining other ways of providing coverage for all official languages, including using *retour* translation (having translators working from their native language into EN and FR).

number of milestone versions is translated. A number of intangibles such as the political importance of a text, and its priority for a Presidency programme, and time constraints are elements which are taken into account by Linguistic Coordination when deciding on the translation of a milestone version.

26. The EN unit participates extensively in the workload balancing system. However, it should be noted that even though there is some overcapacity in the EN unit, intended to ensure full multilingualism in that unit, this should be compared with the cost of the previous system whereby every language unit had the capacity (approximately a minimum of six translators with knowledge of each EU language) to translate from every official language even though the number of pages to be translated from most of those languages represented less than 1 % of the number of pages of the source documents.

38. In certain cases, when a balance has to be made between timeliness and quality, Linguistic Coordination makes recommendations about the non-revision of a text. This can only occur at intermediate stages.

However, as the Council only translates core documents, a high level of quality is normally required.

Nevertheless, the GSC has always said that it would review its policy in the light of experience (a minimum of two years). This review will take place in the second half of 2006/early 2007.

39. The GSC is putting in place a quality control procedure at language unit level and has recently implemented a formal procedure for handling quality complaints and allowing our clients to provide feedback on translations.

40. See comment to paragraph 39.

35. Central Coordination does control the compliance with the 'milestones stages' policy, namely by assessing the need of a translation at a certain stage and refusing to translate certain documents. On the basis of the resources available and the time constraints, Linguistic Coordination ensures that the appropriate

41. The GSC is pleased to note that the Court of Auditors acknowledges that its clients are satisfied with the quality of the service provided. It is however ready to put in place harmonised quality assurance procedures.

42. The general feedback from EU-10 delegations is now also generally satisfactory. The revision of external translations is a problem. Translations are outsourced because of understaffing problems and their revision would reduce the benefit of such outsourcing (use of valuable resources for revision).

44. The Council will examine, in the framework of statistical developments in Central Coordination, how to assess the level of compliance with the translation deadlines. However, core documents that comply with the Rules of Procedure are always ready at the meeting for which they are required.

46. This was due to the dramatic lack of capacity in those languages. However, there is no evidence that the adoption of any legislation was delayed because of the unavailability of documents.

47. The GSC intends to build on the experience obtained during this audit to set up a system for keeping the cost of translation under review. The GSC is also considering the possibility of systematically sending DGs and the Presidency the 'cost' for certain translations especially those giving rise to excessive overtime.

51. As the Council is at the end of the legislative procedure, it has a particular responsibility for the quality of the adopted (and published) text. Quality comes at a price and has implications for the productivity of the translators. Moreover, as explained earlier, it is not appropriate to send legislative and politically sensitive documents to freelance agencies. This is the reason why the general policy of the GSC is to avoid the use of external translation.

53.

(b) The Council will put in place a procedure for monitoring the percentage of requests that do not adhere to deadlines for submission of translations and the reasons for that failure without losing sight of the aspects pointed out in the comment to paragraph 44.

(e) The Council will put in place a procedure for monitoring the percentage of 'core' documents for which translation is mandatory, out of the total number of documents translated.

(f) The Council will put in place a procedure for obtaining additional information on translations that were not needed due to subsequent changes made to the original.

56. The argument of the Court of Auditors on the importance of accurate forecasts is valid, but in reality it is often beyond the reach of the translation services, e.g. the progress of legislative texts in the Council depends on the progress achieved in different working groups, committees and Council meetings, sometimes even in bilateral meetings.

61. The staff complement of 25 translators is based on the normal anticipated workload, which in turn is based on the 'core documents' policy. The surge or peak in workload at the end of each Presidency is resolved by a much stricter management of the work in the units, renegotiation of deadlines, but most importantly of all by the use of overtime at the end of the working day and, exceptionally, during the weekend or public holidays.

The fact that Council translations are only provided shortly before the meeting is due to the fact that 62 % of Council documents have deadlines of less than 72hrs. It is therefore unavoidable that the translations are available shortly before the meeting.

64. Correct, but they are anyway experienced enough to know the peaks and in most of the translation units they are 'helped' by translators acting as full-time coordinators. Both the Head of Unit and the coordinator are kept constantly informed by Central Coordination. At the Council, which only works with short-term deadlines, the initiative on deadlines is left to Central Coordination which is the unit with a global view on the volume of work.

65. The Council has changed its system of counting pages for estimating workload and it now uses a system of weighted standard pages, called 'net' pages.

67. This task is performed by the Central Coordination using technical means.

69. The Council has made considerable progress on this front since the period covered by the Audit, and the ratio of secretaries to translators is still improving.

70. The Council has invested a lot of time into optimising the use of IT tools. An implementation plan involving the development of tools (EURAMIS and in-house tools), a training programme and the setting up of a special TRADOS cell in Central Coordination is currently being rolled out. The Council intends however to introduce a system of statistical indicators to monitor the use of TRADOS in the Translation Department.

78. The private sector is concerned less about quality and consistency than the institutions. The experience of the institutions in general, as confirmed by the work of CIEQ, is that legislative texts should not be sent to external agencies. The experience of the Council is that even when texts are sent out to agencies during the early stages of negotiations within the Council (Working Party level), this has not been of much help during the translation of subsequent versions of the text.

85. There are indeed very limited possibilities of internal redeployment. Translators constitute approximately 66 % of AD staff (790 LA excluding JLS; 450 A) at the Council.

It should also be noted that in the eight language units with supernumerary staff, there is a very high proportion of staff in the age bracket 55-65.

**Proportion of staff in language sections
in the age bracket 55-65**

	DA	DE	EL	ES	NL	FI	PT	IT
Supr	12	25	15	16	12	19	18	18
55-65	15	8	11	10	10	8	15	12

It is difficult to retrain and redeploy translators in great numbers as translators come with a specialist language background. Nevertheless, the Council intends to look at every possibility of redeployment, both internally and interinstitutionally. Appropriate action is under way.

86. In addition to the tasks mentioned in the Court of Auditors' report, the English language unit also provides direct assistance to the Presidency (one translator works on the premises of the Presidency) and to other DGs.

88. The performance indicators and statistics mentioned will be implemented gradually as soon as the resources available for workflow development permit the necessary enhancements.

90. The statistics used by the Council were changed in 2005 to reflect the practice in other institutions. Statistics for 2003 and 2004 were amended retroactively to bring them into line with the new methods of calculation.

CONCLUSIONS AND RECOMMENDATIONS

105. Central Coordination in the Council tries to forecast translation workload and to plan the workload accordingly. In this way, it seeks, within the political constraints, to balance workload and translation capacity.

COMMISSION'S REPLIES

EXECUTIVE SUMMARY

I. The Commission is committed to support multilingual written communications through equal linguistic treatment of all official languages. It also sustains multilingualism in the Union, which has become a sensitive political matter. Matching real needs, high quality and cost effectiveness are the guiding principles followed by the Commission in providing translations.

The Commission is the institution that has the initiative of making legislative proposals and therefore is often faced with translations of completely new texts, subsequently modified in the Council and the Parliament. This entails a higher difficulty and more research, mainly in the field of terminology.

II. Since the completion of the audit, the Commission has introduced further changes in its translation practices and procedures which, in its opinion, address the observations of the Court and are highlighted in the Commission's reply to the relevant paragraphs.

III-IV. The Commission will update its translation strategy e.g. by including guidelines for non-core documents. DGs will be encouraged to streamline their internal procedures for requesting translations.

V. The Commission is currently examining the most appropriate ways of measuring quality. DGT has intensified its contacts with Commission DGs and services which allows for regular feedback on the quality of service offered to them. It considers that regular user satisfaction surveys at the level of DGs and services will not provide significant added value.

The Commission's quality control procedures are based on risk assessment and cost-effectiveness, with the aim of producing translations that are fit for purpose in every case. This policy renders a single 'quality indicator' based on number of errors per page inappropriate (see also point 100 below).

VI-VII. The Commission calculated its translation cost and cost per page for 2002 and suspended subsequent updates of these calculations awaiting the outcome of the audit which is subject of this report.

The increase in the cost per page in 2005 for the Commission (compared to 2003) results from the implementation of a strict demand management reducing demand equally across the different languages and below available capacities in 'old' language departments. This allowed the Commission to reduce its need for

resources for the new language departments thereby creating significant immediate savings for the Commission's administrative budget equivalent to some 380 posts.

Resulting capacity surpluses in the 'old' languages were already partly addressed in 2004 and 2005 by means of compensating measures, such as internal redeployment, new methods for increased flexibility, drastic reductions of freelance translations for the 'old' language departments, etc. These measures were stepped up at the end of 2005 with the introduction of a strategy for resources allocations within DGT, confirmed in the Commission's APS 2007 decision, aiming at a better balance between supply and demand and improving cost-efficiency, thereby creating additional savings for the Commission's administrative budget, in the medium to long term. This should ensure that differences in work rate and outsourcing percentages are evened out in the medium term.

VIII. The Commission supports interinstitutional cooperation including the workload balancing mechanism as a means to share spare translation capacity between institutions and has been the highest net contributor throughout the pilot project.

The Commission will continue to contribute towards the fine-tuning of this procedure. However, its potential will be reduced in future as a result of measures currently being taken to adjust resource allocations in accordance with real needs. Moreover, there are limits to how far one can go because of the different nature of work and timetables and agendas of the different institutions and workload balancing cannot replace freelance work, nor will it allow complete absorption of idle capacity across institutions.

IX. While no information was available in 2004 and 2005 on the average use of the IT tools among Commission translators, a survey concluded in late 2005 concluded that use of these tools is at least 76 %, while in the 'new' EU-10 languages it reaches almost 100 %.

The Commission is currently setting up statistics on the use of IT tools. Work is underway to automatically register actual use and on the setting of other indicators.

The Commission's centralised translation demand management unit has significantly improved its capacities and performance in forward planning, negotiating realistic deadlines and consistency in outsourcing practices but these efforts do not yet encompass the totality of translation activity in the Commission. The forthcoming review of the Commission's translation strategy will strengthen the coordination role of DGT for all translation activities of the Commission.

INTRODUCTION

11. Since the completion of the audit, the Commission has introduced further changes in its translation practices and procedures which, in its opinion, address the observations of the Court and are highlighted in the Commission's reply to the relevant paragraphs.

OBSERVATIONS

13-18. The Commission has established its procedures for requesting translations to DGT, supported by a web-based application (POETRY) which channels all translation requests from its DGs and services to DGT and which is used by DGT in handling these requests in the light of its translation strategy. Within these constraints, each client service organises its internal workflow to channel its requests through 'POETRY'.

Given the lack of consistency in the translation authorisation procedures in the Commission, DGT's screening of demand plays an important role in harmonising translation practices among DGs. As of 2005, the authorisations given within the Commission's planning unit are supervised more systematically, especially with respect to categories of documents for which no guidelines have been set in its translation strategy.

The Commission will address the authorisation procedures and the screening of translation requests within its DGs and services and will establish guidelines also for the translation of non core documents as part of its updated strategy for the period 2007 and beyond (scheduled for end 2006). This will strengthen its capacity for a consistent screening of demand.

19-20. The levels of effective recruitment per 31 December 2004 are to be assessed against the decisions of the budget authority to phase-in resources for enlargement over the period 2004 to 2006.

In spite of staff shortages and fragile structures due to the high numbers of temporary staff, the Commission was able to meet its legal obligations and has therefore satisfied all crucial translation needs for these languages. This has been achieved through consistent demand management, staff in the EU-10 departments working considerable overtime, and heavy reliance on external translation.

The original target of 90 full-time equivalents, set before the transitional translation strategy was adopted, has been revised in line with the estimated impact of this strategy on the demand for translation was set at 75 full-time equivalents (as confirmed by the Commission's APS 2007 decision).

21-23. The Commission organises its translation activity in its central premises in Brussels and Luxembourg in order to facilitate cooperation between language departments, multilingual coordination as well as management, training and IT support.

The Commission nevertheless needed to set-up translation facilities in most of its representation offices as a temporary measure to complement scarce capacities available during the phasing-in period for the new languages. The role of these facilities is currently being reassessed.

The Commission actively prepared for translations out of the EU-10 languages and in 2004 more than 25 % of total 'old' language translators had taken or were taking courses in the 'new' languages (216 in training, 87 proficient and 68 partial).

The Commission uses (0,9 % of the total production) translation or revision by native speakers of the source rather than the target language to deal with capacity shortages for some language combinations and increase cost-efficiency.

25. The rising trend in translation volumes for the Commission was halted in 2004 as a result of the introduction of its demand management strategy. The slowdown of legislative activity highlighted by the Court of Auditors had only a limited impact as large volumes of legislative texts such as agricultural acts, anti-dumping, competition, State aids, etc., are not affected.

In addition, the anticipated build-up of a backlog of translations into the EU-10 languages did not materialise.

With respect to direct outsourcing and grey translations (referred to in footnote 13), the Commission agrees that currently there are no reliable estimates for the scope of grey translations or direct outsourcing and is therefore launching a survey within its DGs and services to assess the scope of such practices. The result of this survey will be used for a Commission update of its translation strategy for 2007 and beyond.

37-43. The Commission's translation quality control policy has focused on producing translations that are 'fit for purpose' and it has not so far devised a unified quality indicator as such. DGs and services may not always give sufficient consideration to the differentiated quality requirements in accordance with fit-for-purpose principles in assessing the quality of freelance translations. The Commission is currently examining the most appropriate ways of measuring quality.

All freelance translations are evaluated on the basis of a sample check of pages and are rejected if the quality is found on that basis to be unsatisfactory.

The quality problems for outsourced legislative proposals submitted by the Commission for the new languages during the start-up period in 2004 are explained by the limited capacity for internal revision in that period. While autonomous acts were fairly systematically revised, co-decision acts often were not as these would still be read at least once (by Parliament or Council) before publication. This temporary problem has been fully addressed in 2005 and more than 90 % of all in-house and freelance translations is being revised or checked.

The Commission acted on experiences of poor quality of freelance translations, especially for the new contractors for the EU-10 languages, by (i) organising workshops for freelance translators at the beginning of 2005 in the capitals of the new Member States; (ii) ensuring the growing availability of translation tools and reference material and (iii) providing systematic feedback to external translators for all translations not assessed as 'very good' and containing more than five pages. As a result, the frequency of quality problems with freelance translations has dropped in the second half of 2005.

44-46. The improvement in the Commission's respect of deadlines for translations is due to a better translation demand management and pro-active programming.

DGT experiences problems with deadline keeping much more as an issue of improving quality of planning by the services and the institutions, rather than shortages in translation capacity. The Commission considers translation as a part of the enacting process whereby translation deadlines need to be fully integrated into the programming and DGT is participating in agenda planning and coordination networks. The Commission has now set up a monitoring system on the timely delivery of translations in accordance with the Commission and Council meeting schedules and results so far demonstrate that the translation services offered in this context are compatible with legal obligations and operational needs.

Deadlines set for mid and end of 2004 for translations into the EU-10 languages were indeed longer due to a lack of resources as pointed out under paragraphs 19-20. As of 2005 the deadlines are shorter and programming smoother.

The Commission is launching a survey to quantify the magnitude of grey translation and direct outsourcing and will address these issues in the context of the forthcoming update of its translation strategy for 2007 and beyond.

47-49. The Commission's costing project referred to by the Court of Auditors was developed in 2001 and applied until mid-2003. It did achieve its objective of raising awareness on the cost of translation. Nevertheless, maintaining this system by providing up-to-date information on the total cost of translations requested was not considered a priority as this would provide little additional value to client DGs in a context where their translation demand was scrutinised in detail against the transitional translation regime.

Following the May 2004 Communication, the Commission shifted its focus from raising awareness on the cost of translation to a pro-active demand management resulting in a significant reduction of total translation costs.

The Commission will propose for its Preliminary Draft Budget 2007 (PDB 2007) the creation of a new policy area '31-Language Services' which will group the budgetary impacts of all language services (but no longer allocated to the different policy areas).

The Commission is currently updating its permanent cost calculation system, in line with the methodology applied by the Court of Auditors, to support management in monitoring the efficiency of the translation process through the evolution of the costs incurred in providing its translation output (and other products).

51-52. In spite of the near doubling of the number of official languages the total cost of translation for the Commission in 2005 only increased by some 20 % compared to 2003. This was achieved by a strict implementation of the demand management strategy. It nevertheless resulted in a drop in the work rate and a linked increase of the cost per page for the Commission which is of a transitional nature and can be explained by:

- the political imperative of giving equal treatment to all languages while translation capacity for the nine new official languages following the 2004 enlargement is only gradually building up over the period 2004 to 2006,
- the lack of experienced translators, translation memories, terminology support, machine translation support, etc., for the nine new official languages, which results in lower productivity capacity for these languages compared to the 'old' languages,
- the 2003 translation demand and resulting work rate, which was at a record high and required tremendous efforts from staff in terms of overtime, delaying planned leave, etc. As such, this level is not a fair benchmark for a long-term work rate target.

The Commission proceeded with some internal redeployments already in 2004 and 2005 and has set more ambitious targets on internal redeployments for DGT in the Commission's APS 2007 decision to adjust fixed costs to changing demand patterns by language groups. Other corrective measures include reducing freelance translations (although outsourcing may be required in view of specific subject matter or language expertise not available internally), two-way translation, the temporary secondment of translators to other DGs, and the expansion of the Commission's Editing Service.

53. (f) The Commission considers that, as of 2005, the number of translations carried out in full or in part but not needed because of subsequent changes made in the original is marginal due to its policy of not beginning a translation until a stable text exists.

The only exceptions are those documents which, for political reasons, confirmed at the highest level, are subject to tight deadlines that could not be respected if translations were not initiated before the stable document existed.

54. The Commission is launching a survey to assess the extent of grey translations and direct outsourcing and the result of this survey will feed into the forthcoming update of the Commission's translation strategy for 2007 and beyond.

56-59. As of 2005 the Commission improved significantly its capacity for forward translation programming: a large part of the Commission's translation workload is covered by agenda planning and regular monitoring with DGs in coordination meetings. DGT's demand management unit maintains regular contacts with translation correspondents in every DG and these efforts have resulted in a situation in which most DGs send regular forecasts, especially when there are important issues at stake.

The need to rely on a more robust programming instrument has been recognised by the Secretariat-General and steps are being taken to integrate translation better in the programming instruments of the Commission.

However, such systems for forecasting demand will always be subject to uncertainties, linked to the political nature of our work, unforeseen events which require new initiatives, etc. Moreover, even when in-house capacities are available, freelance capacity may still be needed for such documents (e.g. with a high degree of technical terminology) for which internal expertise does not exist.

60-62. DGT fixes deadlines with the requesting DGs in the light of their requirements linked to the destination/purpose of the document (e.g. for discussion at specific Council or Commission meetings). This approach is preferred over tabling deadlines as it allows a more flexible and efficient use of available resources and reduces the need for additional capacity to deal with peak workloads.

67. Pre-processing in the Commission is highly automated and does not require its central translation planning unit to do any specific search: all documents (except confidential ones) to be translated are checked automatically against Euramis, a huge linguistic database containing thousands of documents divided into sentences linked to corresponding translations and these checks also include the content of Eur-Lex.

68-71. The organisation of the translation workflow within the Commission's translation units is supported by tools showing the availability of individual translators. However, these tools do not fully reflect all aspects of translator availability such as specialist or language knowledge. Therefore the Head of Unit's judgment remains an important factor.

With respect to the use of IT tools, the Commission actively promotes their use to increase cost-efficiency. Actions in this area have consisted of awareness-raising, training (in particular with a view to enabling end-users to make efficient use of these tools), and ensuring that productivity-enhancing tools run smoothly with other applications (e.g. TWB with LegisWrite). The use of such tools has been constantly advocated by senior management

and the Commission issued recently some 'best practices guidelines' for its translators and special efforts are also made to train newly recruited translators and secretaries to use computer tools. It remains however partly up to the translator to decide what tools and resources are best suited to his job, depending on the pre-processing reports and his own background, knowledge and experience.

73-74. The Commission's decision to outsource or not depends heavily on the types of documents which are under consideration. In a situation where a 30 % externalisation target was imposed and translation workload within the Commission was very high, certain decisions were taken to automatically outsource certain documents.

After the introduction of the new demand management policy in 2004, the Commission abandoned its earlier outsourcing targets. There was, however, a certain delay before outsourcing practice changed. In the meantime, outsourcing is largely limited to cases of real need (i.e. to complement in-house capacities). Nevertheless, in exceptional cases where the necessary expertise on specific subject matters is lacking within a given language department, translations will continue to be outsourced, irrespective of available in-house capacity.

75. The Commission's translation strategy will be extended to include also guidelines on the translation of non-core documents and will strengthen the coordination role of DGT through channelling all information on translation requests through DGT.

76. The Commission understands 'productivity' to refer to 'workrate' meaning the production by translator per day taking demand into account, as productivity cannot be measured by simply quantifying the number of pages by FTE.

78. In comparing translation in the EU institutions with the private sector the following additional factors have been taken into consideration:

- (a) the market supply of expert translators varies considerably depending on the language concerned;
- (b) a major problem is that freelance quality is inconsistent and this makes it hard to programme quality control activities effectively;
- (c) translation agencies often have leaner structures since they can directly subcontract translation requests to a roster of available individuals who are not permanently employed and can therefore adapt more flexibly to changing demand. The EU institutions need to maintain a critical mass of staff for quality and independence reasons and to meet fluctuations in demand as well as unforeseen demand.

The Commission is therefore of the opinion that the cost advantages of external translation do not always outweigh quality-related risks in political organisations such as the European Institutions.

79-80. The Commission underlines that the evolution of the average work rate per translator for 2004 and 2005 is atypical and not presenting a fair view on translators' performances. It rather is the result of drops in demand creating structural imbalances between demand and supply in the language departments, the lack of experienced translators, terminology bases and linguistic memories for the EU-10 languages, and time spent by EU-10 translators on the revision of the numerous freelance translations (the work rate statistics presented by the Court have not been adjusted for this aspect).

Demand, and the linked work rate, can fluctuate with the level of policy and legislative activity at the Commission. Part of the rationale for a relatively high-cost in-house translation service is to allow coverage of urgent political needs, which implies a certain measure of slack capacity at times when activity is low.

The Commission has taken a number of initiatives in response to the structural decline of demand levels for the EU-15 non-procedural languages:

- internal redeployments to strengthen new language departments, DGT's horizontal services or other Commission services (32 establishment plan posts in 2004; 41 in 2005; 43 scheduled for 2006 and 205 for 2007),
- reducing external translation for EU-15 languages from 20 % in 2003 to practically zero,
- introducing two-way translation (translation into translators' second language),
- secondment of translators to other DGs.

These measures will be further pursued and the Commission aims to adjust staff levels for all its language departments to real needs by the end of 2006. It will also address the issue of direct outsourcing and grey translations by DGs without any supervision by DGT in the context of its forthcoming update of its translation strategy for 2007 and beyond.

81. The Commission will intensify its efforts to achieve a greater balance in the workload of the various units by (a) increasing intra-departmental flexibility and (b) streamlining portfolios among the units within the language departments, mirrored by similar structures for the sectors of the demand management unit.

The Commission nevertheless points out that the characteristics and constraints of different language departments should be taken into account in comparing their respective work rates.

87. The Commission has made significant efforts in 2004 to adjust such statistical systems to cover also relevant indicators for the implementation of the translation strategy decided in May 2004. It is currently developing a Data Warehouse to incorporate more detailed data on translation workflows. A review of certain key statistical concepts such as 'daily pressure' is planned for 2006.

88. The Commission prefers to use a work rate at an aggregate level (per unit/department; averages per translator; etc.) which it considers adequate for monitoring the performance of its translation workflow. Statistics at a more detailed level should be used with care as different factors impact on such a statistic: the availability of translation memories and terminology, the subject matter expertise of the translator, the language competency of the translator with respect to the source language (translators third, fourth or even fifth language), quality assurance efforts in accordance with the fit-for-purpose approach, etc. Such statistics are complex and costly to set-up considering the complexity of the translation workflow.

The Commission's translation data warehouse, currently under construction, will incorporate more detailed data on quality control on the basis of an agreed definition of revision, cross-reading, proof-reading, random sample checking and other quality control operations, and an understanding of the place and purpose of each in assuring a product that is fit for purpose.

With respect to correlations between workload and outsourcing, it should be borne in mind that certain translations sometimes have to be outsourced, regardless of available in-house capacity (also see comment on points 73 and 74).

The Commission has no established performance indicators on the impact of IT translation tools on productivity but has some statistics, which have to be interpreted. Data on yearly production and work rate are available which can be correlated with IT translation tools expenditure. Nevertheless, this correlation is not obvious, since impact is always bigger in the first stages.

89. The Commission is of the opinion that text segments translated automatically should be taken into account when calculating the impact of investments in IT tools on productivity.

Adjusting the Commission's workload statistics for the impact of translation memories or other translation support tools would represent a significant investment. Other elements impacting on productivity (e.g. the disadvantage of translating from a fourth or fifth language or the advantage of translating a well-known subject) are more difficult to factor-in.

91-95. The workload balancing scheme was a pilot project to build up mutual confidence. Results were very positive: the Commission offered to the other institutions its full spare translation capacity in the EU-8 languages and agreed with all institutions that the EU-10 translation departments were still not in a position to fully adhere to the workload balancing scheme due to their scarce resources; they will be involved during 2006.

Workload balancing figures in 2006 show a steady and large increase of the total volume. The Commission is fully committed to use and further develop the workload balancing mechanism but notes that a certain margin of internal capacity must always be available to meet unforeseen demand.

The potential of the workload balancing scheme will decrease as the result of ongoing actions to adjust resources allocations for the language departments in line with real needs. These corrective actions remain the first priority for the Commission.

If an average of 20 % of the global workflow is being outsourced by the institutions instead of being exchanged among them, this is mostly due to the lack of coincidence between available idle capacity on the one hand and request for exchange on the other hand, over the whole period needed to meet the request.

The additional savings of 11 million euro estimated by the Court of Auditors relating to freelance activities is not relevant for the Commission which concentrated, as of May 2004, its freelance translations mostly on EU-10 languages, thereby reducing potential further savings of freelance budget to practically zero.

CONCLUSIONS AND RECOMMENDATIONS

96. Procedures and tools are in place for channelling translation requests from Commission DGs to DGT and for subsequent handling of such requests.

Recommendation

The Commission agrees with the recommendation of the Court of Auditors to streamline procedures for requesting translations in DGs and services and will establish rules/guidelines concerning translation of non core documents in the context of a forthcoming update of the translation strategy.

97. The Commission has been able to deliver on its political and treaty obligations in terms of translation. It also points out that the acceding countries have the primary responsibility in developing their translation markets and the Commission has repeatedly communicated this message to the respective governments.

Recommendation

The Commission notes the recommendation of the Court of Auditors to establish an action plan to increase awareness and foster interest from the Community's translation activity in the EU-10 Member States and other candidate countries but points out that it has taken steps to prepare the translation markets in the acceding countries by increasing awareness and fostering interest in the Commission's translation activities: it established facilities in the representation offices in the EU-10 Member States before their accession and recently also in the EU-2 acceding countries. These are pursuing active contacts with translators' professional organisations, universities and media in the respective countries and. The Commission's 'Visiting translator scheme' has been extended to universities in all of these countries, including Bulgaria and Romania. Professional visits have been organised from these countries to the Commission and special efforts were made to enhance media coverage on — and professional interest in — the translation activity via the visits of the Director-General of DGT to Bulgaria and Romania in early 2005.

98. Recommendation

The Commission welcomes the recommendation of the Court of Auditors to establish Service Level Agreements with users of translation services. Such Service Level Agreements for the translation of guides for DG SANCO and DG EMPL have already been established: these DGs have made a full evaluation of their needs for the whole year, DGT has offered linguistic advice in the drafting of the originals, and a calendar for the translation of the texts has been agreed.

99. The lack of internal capacity to revise freelance translations for translations into the EU-10 languages was limited to the first few months following enlargement and limited to documents which benefited from the safety net provided by subsequent readings in Parliament and Council.

Recommendation

The Commission doubts the value added of the regular use of satisfaction surveys. Nevertheless, it is currently examining the most appropriate ways to measure service quality. In addition, feedback is received regularly and followed-up.

100. Product quality controls (revision and other checks) on internal translations are performed with a view to providing texts that are fit for purpose, but do not produce a quality indicator as such, and may not be applied to all translations (risk assessment). External translations are evaluated on the basis of a sample of pages and those found of poor quality are subsequently revised.

Recommendation

The Commission agrees with the recommendation of the Court of Auditors to perform regular random quality checks. It plans, as part of its total quality management efforts, to introduce a system to define, monitor and document its quality control operations more systematically. A more systematic approach including sample checks will be carefully considered in the context of a more global analysis on quality and quality measurement which is currently being undertaken.

101. Recommendation

The Commission accepts the recommendation of the Court of Auditors to monitor the level of direct outsourcing and 'grey translations' and is launching a survey to quantify the magnitude of these grey translations and direct outsourcing more precisely. Conclusions from this survey will feed into the preparations of an update of the translation strategy for 2007 and beyond.

102-103. The Commission calculated its translation cost and cost per page for 2002 and suspended subsequent updates of these calculations awaiting the outcome of the audit which is subject of this report.

Recommendation

The Commission accepts the recommendation of the Court of Auditors to ensure adequate management information on the cost of translation activities and is currently updating its cost-calculation and monitoring system, in line with the methodology applied by the Court of Auditors, as part of its regular management information reporting.

104. The drop in the work rate and the structural imbalance of supply and demand for translation across the different official languages result from the impacts of the translation strategy introduced in May 2004. These imbalances are nevertheless of a transitional nature and are currently being addressed.

This strategy has created a basis for significant savings to the Community budget: immediate savings have been obtained by setting recruitment targets for the new languages significantly below historical averages. Additional savings will be obtained by ongoing redeployments out of the old languages and other human resources management actions as well as continuous re-adaptations of the translation strategy.

105. The Commission has improved significantly its forward translation planning capacity: the network of translation correspondents in the DGs has been revamped to provide specific contact points for DGT's demand management unit and to promote both coordination of translation issues within DGs and upstream translation programming.

Closer attention is now paid to translation aspects at both Commission and interinstitutional level: close follow-up of translations of legislative proposals has been organised in cooperation with the Commission, Council and European Parliament registries. Efforts are being pursued with the SG to further improve translation programming tools in the context of eGreffé. Meetings with the Council Presidency, focusing on the planning of

translation and the establishment of priorities, have become a regular feature, thereby contributing to enhanced forward planning. Also, regular inter-services meetings on translation are organised with the Commission DGs.

The Commission is determined to continue on this road in order to further improving its forward programming of translation.

106. Although some transitional problems did occur in 2004 the Commission has now adjusted its outsourcing policy and is reducing outsourcing to practically zero for language departments with spare capacity. However, outsourcing will be maintained to respond to specific shortages in terms of language competency (i.e. specific language combinations) or subject matter expertise (e.g. international accounting standards, banking directives, etc.).

107. The Commission is determined to continue its role of promoter and active contributor to the inter-institutional workload balancing scheme. However, it believes that the Court of Auditors' estimate of EUR 11 million in potential savings is not relevant to the Commission (see point 95).

Workload balancing remains subject to restrictions linked to differences in the nature of work in the different institutions, timetables and agendas of the different institutions and the need to maintain some capacity to respond to unforeseen and urgent demand.

Recommendation

The Commission accepts the recommendation of the Court of Auditors with respect to strengthening future translation planning by its services and points out the efforts which have been taken in this respect (see point 105 above).

The Commission supports interinstitutional cooperation and also accepts the recommendation to address direct outsourcing and to extend the pilot project on interinstitutional workload balancing. However, it considers that an interinstitutional billing system would entail an administrative burden which would be disproportionate to any possible benefits.

108. Recommendation

The Commission accepts the recommendations of the Court of Auditors relating to further improvements of the translation process and most of those have already been implemented: best practices are issued regularly in relation to use of modern technology; new translators adopt immediately these best practices and use extensively (100 %) IT translation tools. Concerning the integration of computer tools, this is an ongoing project both for administration and translation tools. The automation of pre-processing was one important step in this direction.

The Commission is currently increasing the number of teleworkers in DGT from 100 to 200.

109. The Commission considers that management information to follow-up on the translation cost is adequate. Nevertheless, statistical databases are being updated and improved on a

continuous basis to adjust them to developing needs for targeted management information.

Moreover, the Commission favours aggregated statistics which are deemed adequate for monitoring purposes.
