



Canadian
Heritage

Patrimoine
canadien

Canada



Evaluation of the Canada travelling exhibitions indemnification program

2011-2012 to 2014-2015

Evaluation services directorate

December 12, 2016



Cette publication est également disponible en français.

This publication is available in HTML format on the Internet at Canada.ca/patrimoine-canadien
© Her Majesty the Queen in Right of Canada, represented by the Minister of Canadian Heritage, 2016

Catalogue No. CH7-36/2016E-PDF
ISBN: 978-0-660-04960-1

Table of contents

Executive summary

1. Introduction	1
1.1. Purpose.....	1
2. Program profile	2
2.1. Program history.....	2
2.2. Program operation, objectives and outcomes	4
2.3. Program management and governance	5
2.4. Program resources.....	6
3. Evaluation methodology.....	8
3.1. Scope, timeline and quality control	8
3.2. Evaluation questions by core issue	8
3.2.1. Data-gathering methods	10
3.2.2. Constraints and limits.....	11
4. Relevance.....	12
4.1. Ongoing need for the program.....	12
4.2. Harmonization with government priorities.....	14
4.3. Harmonization with federal government roles and responsibilities.....	15
5. Performance	16
5.1. Achievement of expected outcomes	16
5.2. Demonstration of efficiency	27
6. Conclusion.....	39
7. Recommendations, management response and action plan	40
Appendix A. Evaluation framework.....	42
Appendix B. Value of Indemnified Exhibitions	49
Appendix C. Comparative table of main components of CTEIP and MAP	51
Appendix D. Comparative table of existing indemnification or insurance systems in Canada, the United States, Great Britain, New Zealand and Australia	53
Appendix E. Logic model	56
Appendix F. Bibliography	57

List of tables

Table 1. Forecast and actual expenditures	7
Table 2. Basic issues and evaluation questions.....	9
Table 3. Data on facility approvals	24
Table 4. Institutions that have hosted an indemnified exhibition	25
Table 5. Forecast and actual expenditures	29
Table 6. Program cost compared with savings achieved	30
Table 7. Benefits and drawbacks of indemnification models	35
Table b1. Title of exhibitions, organizing institutions and national / international status of the exhibitions, 2011-12 to 2014-15	49
Table b2. Total value of exhibitions, value of approved indemnities and deductibles for indemnified exhibitions 2011-12 to 2014-15	50

List of charts

Figure 1. Diagram of the indemnification agreement	5
Figure 2. Growth of the average annual value of exhibitions and five-year trend.....	13
Figure 3. Annual number of international and national travelling exhibitions supported by CTEIP, 2000-2001 to 2014-2015	17
Figure 4. Annual percentage of the total value of travelling exhibitions that is indemnified.....	18
Figure 5. Annual value of savings associated with CTEIP indemnification of travelling exhibitions	19
Figure 6. Number of agreements with lenders, and number of objects indemnified each year	21
Figure 7. Percentage of objects indemnified per year	22
Figure 8. Use of program liability limit, January 2014 to March 2015	23
Figure 9. Attendance at indemnified exhibitions compared with the target	26
Figure 10. Stage in the decision-making process for an indemnification application	31

List of acronyms

The Act	<i>Canada Travelling Exhibitions Indemnification Act</i>
CCI	Canadian Conservation Institute
CTEIP	Canada Travelling Exhibitions Indemnification Program
ESD	Evaluation Services Directorate
IPTE	Insurance Program for Travelling Exhibitions
MAP	Museums Assistance Program
MCP	Movable Cultural Property Program
PAA	Program Alignment Architecture
PCH	Canadian Heritage
TBS	Treasury Board Secretariat

Executive summary

Program overview

In 1999, Parliament passed the *Canada Travelling Exhibitions Indemnification Act* (the Act), and the Department of Canadian Heritage (PCH) established the Canada Travelling Exhibitions Indemnification Program (CTEIP).

The program objectives are as follows:

- To increase access for Canadians to Canada's and the world's heritage through the exchange of artifacts and exhibitions in Canada;
- To provide Canadian art galleries, museums, archives and libraries with a competitive advantage when competing for the loan of prestigious international exhibitions.

The program's expected outcomes arise from its specific objectives and are detailed as follows:

Immediate outcomes:

- Canadian heritage institutions that meet the program requirements obtain a reduction in the costs associated with purchase of commercial insurance;
- Owners of loaned objects obtain reasonable and appropriate coverage of risks.

Intermediate outcome:

- Canadian heritage institutions present national and international travelling exhibitions that meet standards.

Ultimate outcome:

- Canadians have greater access to Canadian and international heritage.

The program supports Canada's art galleries, museums, archives and libraries that organize travelling exhibitions eligible for indemnification which meet the selection criteria; as well as the Canadian public, who benefit from enjoying these exhibitions.

CTEIP is part of the activities of the Heritage Group in PCH's Citizenship, Heritage and Regions sector. Over the period evaluated, program expenditures totalled \$1,522,954.

Evaluation approach and methodology

The objective of the evaluation is to provide credible, neutral information on the program's relevance and performance (effectiveness, efficiency and economy) for the period from 2011-2012 to 2014-2015. The evaluation addresses five core issues set out in Treasury Board Secretariat's *Directive on the Evaluation Function* (2009).

Several data-gathering methods were used: a review of program documents and data, a literature review, and interviews with key players. A trend analysis of the market value of cultural objects and the cost of commercial insurance for such objects has also been produced.

Although the methodology provided certain advantages, such as combining qualitative and quantitative data sources as well as primary and secondary data, the evaluation encountered some limitations, in particular: some administrative data provided by the program was not compiled uniformly and had to be reworked for the purposes of this evaluation; other data was simply not gathered by the program or was incomplete; an increase in the program's liability limit for indemnification was introduced in June 2012, the short time elapsed since then limited the ability to determine trends in the number and value of indemnified exhibitions under this new limit. Comparisons between CTEIP and similar programs in other countries were limited by the lack of information about those programs.

Outcomes

Relevance

CTEIP addresses a need voiced by institutions that present travelling exhibitions. The assumption by PCH of part of the indemnification of the value of objects that are exhibited lends a measure of cost predictability for planning travelling exhibitions and provides protection against fluctuations in commercial insurance costs for museums.

By supporting institutions that present more exhibits in Canada, the program serves Government of Canada priorities and the PCH strategic outcome of improving the Canadian public's access to international heritage and, to some extent, Canadian heritage.

By supporting access to culture and heritage, CTEIP is aligned with federal government roles and responsibilities.

Performance –Achievement and expected outcomes

The program has provided Canadians with access to global cultural heritage and, to a lesser extent, to Canada's cultural heritage. During the period evaluated, 29 travelling exhibitions were presented in 34 venues, an average of 7.3 travelling exhibitions a year. However, the evaluation shows that the number of national exhibitions has declined since the start of the program in 2000-2001 (from 10 between 2000-2001 and 2005-2006 to just 1 between 2011-2012 and 2014-2015).

For some institutions, access to government indemnification represents a significant degree of support towards presenting travelling exhibitions. The increase in the indemnification limit in 2012 raised the program's contribution and helped reduce the cost of insurance (over \$3 million during the period evaluated) but did not result in an increase in the number of supported heritage institutions or travelling exhibitions. It must be noted that this limit has never been fully committed since it was instituted.

The legal and regulatory changes made to the program (amount of the indemnification cap and change from a cumulative annual limit to an all-time limit) fostered the presentation of several

travelling exhibitions of greater value than in the past. They also supported the hosting of more concurrent exhibitions.

The measures introduced by the program to reduce risks appear adequate. The number of objects withdrawn by lenders was small, and CTEIP has not received any claims from the time it was launched in 2000-2001 until the end of the period covered by this evaluation.

The costs associated with preparing a request for indemnification are such that few institutions submit an application to the program below a given threshold (\$100 million for major institutions and \$20-25 million for others). The current program threshold for access to indemnification is \$500,000. The evaluation shows that the eligibility criteria and costs (in resources and time) linked to a request for indemnification regulate access to the program.

Finally, the program has exceeded its target by supporting travelling exhibitions attended by almost four million visitors during the period evaluated. All took place in the country's major urban centres, mostly located in Quebec and Ontario.

Performance – efficiency and economy

Direct expenditures have changed little since the last program evaluation, and the share allocated to salaries has even declined in some years compared with the expenditures posted in the preceding evaluation, as the program shifted from three to two employees. In total, expenditures were just over \$1.5 million, of which 95% went to salaries. Maintenance and operating expenditures as well as salary expenditures rose in the last year. The savings achieved in commercial insurance by heritage institutions amount to more than twice the cost of the program.

With respect to CTEIP implementation, some components are satisfactory (e.g. communication with clients), but the evaluation revealed areas that could be improved, such as the program website, the digitization and posting of documents online, deadlines for submitting applications, the format of indemnification agreements, shipping, and some aspects of the experts' committee.

CTEIP complements one provincial and two federal programs. Similarities and differences are also noted among the international programs with which CTEIP was compared. The program could definitely draw inspiration from provincial indemnification models or those in other countries, to improve its efficiency.

Progress is also needed in improving the systematic gathering and integrity of performance data.

Recommendations

The following two recommendations related to effectiveness and efficiency emerged from the evaluation findings.

Recommendation 1: effectiveness – greater accessibility

Given the increase in the government's liability limit, it is suggested that the Assistant Deputy Minister of Citizenship, Heritage and Regions study ways to facilitate access to the program for heritage institutions and others institutions that might benefit from the protection afforded for presenting travelling exhibitions, to improve access to culture and sharing of heritage, especially Canadian heritage.

Recommendation 2: efficiency – processing applications

The special nature of the program requires measures to protect the Government of Canada against risks incurred in the transport and exhibition of cultural objects. While factoring in this constraint, the Assistant Deputy Minister of Citizenship, Heritage and Regions is urged to review the program's administrative process to improve the experience of beneficiaries and the efficiency of the decision-making process on applications.

1. Introduction

1.1. Purpose

This report presents the results of evaluation of the Canada Travelling Exhibitions Indemnification Program (CTEIP). The evaluation covers the period from April 1, 2011 to March 30, 2015. This evaluation is intended to provide the Department of Canadian Heritage (PCH) with reliable evidence to support its decision-making process and to improve the program.

This evaluation was conducted in accordance with the *Departmental Evaluation Plan 2015-2020*¹ and the Treasury Board Secretariat (TBS) *Policy on Evaluation*.² It focused on the basic issues of CTEIP's relevance and performance. It also addresses the requirement that the program alignment architecture (PAA) be fully evaluated, pursuant to the *Federal Accountability Act*³ and the *Financial Administration Act*.⁴ The PCH Evaluation Services Directorate (ESD) is responsible for all activities linked to this evaluation and hired an outside consultant for specialized work. The evaluation was conducted between August 2015 and June 2016.

This report contains the following sections.

- Section 2 presents the program profile.
- Section 3 describes the methodology used and associated limitations.
- Section 4 presents the key findings on the relevance of CTEIP.
- Section 5 details the findings on achievement of the expected outcomes (program effectiveness) as well as economy and efficiency.
- Section 6 presents the conclusion.
- Section 7 presents the recommendations.

1 Canadian Heritage. *Departmental Evaluation Plan 2015-2016 to 2019-2020*, Evaluation Services Directorate. Strategic Policy, Planning and Corporate Affairs Sector, April 2015.

2 Treasury Board Secretariat of Canada, *Policy on Evaluation*, effective April 1, 2009.

3 Government of Canada, [Federal Accountability Act](#).

4 Government of Canada, [Financial Management Act](#).

2. Program profile

2.1. Program history

In 1985, due to the high cost of commercial insurance required for travelling exhibitions, the Government of Canada introduced the Insurance Program for Travelling Exhibitions (IPTE). The IPTE negotiated commercial insurance at a group rate, with zero deductible and on a cost-sharing basis with participating museums for travelling exhibitions assessed at more than \$1 million.⁵ Between 1985 and 1996, IPTE supported participating institutions to obtain insurance with a value of \$6 billion for a total of 157 travelling exhibitions. IPTE was abolished in 1996, under the program review process conducted across government. The heritage community in Canada subsequently faced high insurance costs for organizing travelling exhibitions, representing up to 17% of an exhibition's budget.⁶

Following consultations with the heritage community, and recognizing the cultural importance of travelling exhibitions as well as their economic benefits, Parliament passed the *Canada Travelling Exhibitions Indemnification Act* (the Act) on June 17, 1999; PCH then set up CTEIP. As part of this new approach to managing insurance costs for cultural objects, indemnification programs in other countries were reviewed to determine the level of risk that might be assumed by such a program. This review found that where such programs exist, not only do governments help heritage institutions save millions of dollars in insurance premiums, but few claims, if any, are submitted.⁷

The 2011 evaluation of CTEIP, covering the period from April 1, 2006 to March 31, 2011, found that CTEIP is a solid, viable program that meets a demonstrable need and is consistent with government priorities. However, the evaluation did find that given the annual limits on the amount of indemnification available under the program, as the value of exhibitions rose, a declining number of exhibitions benefited annually from the coverage provided by the program. The evaluation also showed that the market value of cultural objects had increased considerably since CTEIP was launched and that this trend was continuing. Given the change in the environment since 2000, the evaluation recommended: “the Department should develop options for consideration to address the issue of diminishing program impact relating to rising exhibition values in the context of a fixed ceiling for liability.”

⁵ CTEIP committed to paying the first \$10,000 dollars of the exhibition's insurance premium. For exhibitions with a value of \$1 to \$25 million, the program contributed 75% of the remainder of the insurance premium, and for exhibitions with a value of \$25 million or more, the CTEIP contribution was 50% of the remainder of the premium.

⁶ Canada Travelling Exhibitions Indemnification Program, Performance Measurement, Evaluation and Risk Strategy, August, 2013, p. 3.

⁷ *Ibid.*

In June 2012, Parliament made several changes to the 1999 Act:

- Potential program liability was doubled, from \$1.5 billion in any fiscal year to \$3 billion at any time;⁸
- The maximum for an exhibition was raised from \$450 million to \$600 million.

However, the conditions for accessing the indemnification have remained the same. Thus, the program indemnifies travelling exhibitions that meet one of the two following conditions:

- Total fair market value of the objects in the exhibition loaned from abroad exceeds that of the objects originating from Canada;
- The exhibition is presented in at least two provinces.

The first condition applies to international exhibitions hosted by at least one Canadian institution and by one or more institutions outside Canada. The second condition is specific to national travelling exhibitions which, to be indemnified by the program, must be presented in at least two Canadian provinces.

The conditions to be met to qualify for CTEIP are limited, as posted on the program website:

- approval of the facilities in any institution planning to present a travelling exhibition;
- cultural objects with a value of at least \$500,000;
- total fair market value of objects loaned by sources outside Canada must exceed the total fair market value of objects loaned from inside Canada; and
- national travelling exhibitions organized in Canada must be presented in at least two Canadian provinces.

However, the *Canadian Travelling Exhibitions Indemnification Regulations* add several factors controlled by CTEIP that may limit the eligibility of a museum for indemnification of a travelling exhibition:

- Must meet high museological standards;
- Must further knowledge concerning the theme or material presented;
- Minimize the risk of damage;
- Ship objects by suitable means of transportation and use qualified carriers to minimize risk;
- Pack and crate objects to protect against the normal hazards inherent in the means of transportation chosen;
- Arrange the enhanced security measures necessary to the various stages of the exhibition process.

The Act is accompanied by Regulations⁹ that establish the program framework and limits, defining such factors as:

- Eligibility of applicants and factors to consider in determining whether an indemnification agreement should be drawn up;
- Scope of coverage of indemnification agreements;

⁸ Previously, the Act stipulated an indemnification limit for each fiscal year, but indemnification is now available regardless of fiscal year.

⁹ [Canada Travelling Exhibitions Indemnification Regulations](#), updated 2015-12-10, latest amendment 2013-01-31.

- Deductible applicable to each travelling exhibition, based on the total fair market value of the objects and their related appurtenance;
- Term of coverage and claims procedure.

In 2013, amendments to the Regulations (section 7) were approved which included a new deductible category of \$700,000 (for a travelling exhibition the total market value of which is between \$450 million and \$600 million).¹⁰

2.2. Program operation, objectives and outcomes

By taking over the indemnification of cultural objects loaned to travelling exhibitions, the program fulfils a legislative mandate with two specific objectives:

- To increase access for Canadians to Canada's and the world's heritage through the exchange of artifacts and exhibitions in Canada;
- Give museums, archives and libraries in Canada a competitive advantage when vying for the loan of prestigious international exhibitions.

Through CTEIP, the Government of Canada therefore assumes financial liability for loss or damage to cultural objects and appurtenance forming part of an eligible travelling exhibition. CTEIP's role is to:

- Analyse the risk the government might incur by assuming financial liability for loss or damage to cultural objects and appurtenance;
- Guarantee lenders that a specific analysis of the risk associated with the cultural objects and the host venue for the travelling exhibition has been produced; and
- Ensure that required risk mitigation measures are implemented.

The government guarantee may be defined as an arrangement by which the government assumes part or virtually all of the indemnification (financial liability) associated with the risks related to organizing a major travelling exhibition. Studies¹¹ have shown that a government guarantee is the most effective way to achieve savings on commercial insurance costs that otherwise institutions must cover to organize travelling exhibitions. The government guarantee attests to the lender of a cultural object that it will receive financial compensation in the event of damage to or loss of that object.

Similarly, the government guarantee reflects the importance that each country places on cultural exchanges and their funding: the objective is not just to provide financial support to museums, but also to encourage cultural exchanges as well as a national and international cultural presence.¹²

10 In a previous version, the maximum deductible for indemnification coverage of a travelling exhibition was \$500,000, if the total fair market value was at between \$300 million and \$450 million.

11 GALAMBOS, Henrietta, BERGEVOELT, "Frank, Prevention or Compensation? Alternatives to Insurance," in PATTERSON, Susana *et al.* (Ed.), *Encouraging Collections Mobility – A Way Forward for Museums in Europe*, with support from the European Union's Culture 2000 Programme, pp. 174 – 183. GALAMBOS, Henrietta, BERGEVOELT, Frank, *Report by the OMC sub-group on State indemnity and shared liability agreements*, 69 p.

12 *Ibid.*

The expected CTEIP outcomes arise from its specific objectives and are worded as follows.

Immediate outcomes

- Canadian heritage institutions that meet the program requirements benefit from a reduction in the costs associated with the purchase of commercial insurance.
- The owners of objects loaned receive reasonable and appropriate coverage of risks.

Intermediate outcome

- Canadian heritage institutions present national and international travelling exhibitions that meet standards.

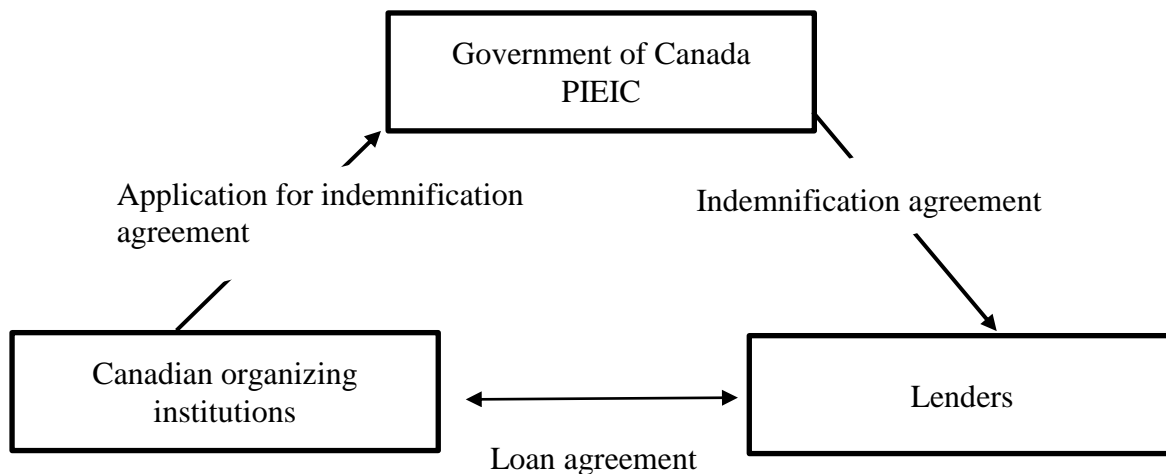
Ultimate outcome

- Canadians have greater access to Canadian and international heritage.

2.3. Program management and governance

Indemnification may be understood as a contractual relationship involving three parties: the Government of Canada (the program), Canadian institutions organizing or hosting travelling exhibitions, and lenders of cultural objects. When preliminary agreements are signed by lenders and Canadian institutions, an application for indemnification is submitted to the program by the Canadian organizing or host institution. It is reviewed by the program and if eligible, an indemnification agreement is offered to the lenders. If this agreement is accepted by the lender, it will be approved by the Minister of PCH and the official documents will be issued.

Figure 1: Diagram of the indemnification agreement



CTEIP forms part of the activities of the PCH Heritage Group in the Citizenship, Heritage and Regions sector. General responsibility for CTEIP rests with the Executive Director of the Heritage Group. The Senior Director of the Heritage Policies and Programs Directorate is responsible for the integrity, implementation and general management of the program. The manager of CTEIP supervises day-to-day operations and ensures reasonable diligence in the administration of the program, monitors trends and problems that may arise, produces reports on

outcomes and makes recommendations to amend the program, as appropriate. CTEIP does not administer grants and contributions.

The program relies on the services of a group of experts consisting of external members and experts from the Canadian Conservation Institute (CCI) in the fields of museum security, conservation of objects, transportation and logistics, etc. These experts are expected to contribute to the review of indemnification applications received and to make recommendations to the Minister through the program, for approval. They meet two to four times a year, as required by the number of applications.

In the event of a claim, CTEIP would report this in the PCH quarterly report of liabilities, in compliance with Treasury Board accounting standards. As stipulated by the Act, the Canadian government is liable for paying any compensation for loss or damage.

Implementation of CTEIP is based on a risk management model that sets out specific measures. As a result, the program and group of experts carefully review applications for indemnification in terms of the following aspects:

- Conditions of transport
- Vulnerability associated with specific objects
- Security
- Emergency and disaster plans
- Fair market value of the objects forming part of the exhibition

Following this review, the program determines whether individual objects or components of exhibition management (e.g. transport) will be indemnified, based on the risk.

Target groups, key players and delivery partners

The direct beneficiaries of CTEIP are museums, archives or libraries in Canada that organize travelling exhibitions eligible for indemnification and which meet the program's selection criteria; and the Canadian public attending the exhibitions.

In turn, the key players are the heritage community, lenders of objects and their appurtenance for travelling exhibitions, the Conservation Services Division of CCI (also a delivery partner since CCI is responsible for conducting facility evaluations and drawing up recommendations as an expert member), the program consultants and commercial insurance companies.

2.4. Program resources

CTEIP human resources consist of a total of two full-time equivalent staff, while its financial resources are shown in the table below.

Table 1: Forecast and actual expenditures¹³

Expenditures	2011-2012	2012-2013	2013-2014	2014-2015	Total
Forecast	\$263,827	\$263,827	\$263,827	\$263,827	\$1,055,308
Actual	\$395,196	\$335,334	\$349,131	\$443,293	\$1,522,954

It should be noted that direct program expenditures (CTEIP employee salaries, expenditures linked to consultants) are generally within the forecast expenditures, but as all departmental activities are now included in the calculation of actual program expenditures, a false impression may be given of rising CTEIP operating costs. In fact, the direct expenditures have not changed since the last program evaluation, and the share allocated to direct salaries has actually declined in some years from expenditures observed in the preceding evaluation, when the program downsized from three to two employees.

¹³ Financial data from the PCH Financial Management Branch.

3. Evaluation methodology

3.1. Scope, timeline and quality control

The purpose of the evaluation is to provide neutral, credible information on the relevance and performance (effectiveness, efficiency and economy) of CTEIP. Most of the activities undertaken for the evaluation were conducted by PCH's ESD. An analysis of the economic aspects linked to of the program was produced by a consultant specialized in the field of insurance for cultural objects. The data was gathered and the report presenting the evaluation findings was prepared between August 2015 and April 2016.

To conduct a quality evaluation in a sustainable manner, ESD engaged in a calibration exercise.¹⁴ The evaluation of CTEIP was calibrated based on the program's level of risk, material nature and complexity. The calibration focused specifically on the data-gathering methods used for the evaluation.

In addition, the use of Nvivo¹⁵ qualitative analysis software reduced the number of deliverables (technical reports drafted in preparation for data analysis and triangulation) while ensuring that all data was included in the analysis.

The evaluators performed their work in compliance with TBS evaluation standards and demonstrated neutrality and integrity in their relations with the people involved.

3.2. Evaluation questions by core issue

The evaluation covered the five core issues set out in the TBS Directive on the evaluation function, and on a few other issues involving program design and some aspects of its operation (see table below). Details of the evaluation questions, indicators, methods and data sources are provided in the evaluation matrix in Appendix A.

14 Calibration is a process designed to change the scope of the evaluation while preserving its credibility and the usefulness of its results. The factors covered by calibration are usually the scope, approach, data-gathering methods used, report content, governance and project management.

15 [Nvivo](#) can organize data from a variety of sources while facilitating implementation of a flexible analytical approach.

Table 2: Basic issues and evaluation questions

Core issues	Evaluation questions
Relevance	
Ongoing need for the program	<ul style="list-style-type: none"> • Does the program still meet a demonstrable need? • Is the program receptive to the needs of heritage institutions and Canadians with respect to travelling exhibitions?
Harmonization with government priorities	<ul style="list-style-type: none"> • To what extent are the program objectives harmonized with federal government priorities? • To what extent are the program objectives harmonized with PCH's strategic outcomes?
Harmonization with government roles and responsibilities	<ul style="list-style-type: none"> • To what extent is implementation of the program harmonized with federal government roles and responsibilities?
Performance	
Achievement of expected outcomes	<ul style="list-style-type: none"> • To what extent has the program's immediate outcomes been attained? • To what extent have the legal and regulatory changes to the liability limits contributed to the achievement of the program's immediate outcome? • To what extent has the program's intermediate outcome been attained? • To what extent does the program contribute to providing Canadians with access to Canadian and international heritage? • Are there unexpected positive or negative outcomes attributable to the program? • What are the possible effects resulting from non-indemnification of an application?
Demonstration of efficiency	<ul style="list-style-type: none"> • What were the program's forecast and actual expenditures? • To what extent was the program implemented effectively and efficiently? • Is there a more effective or efficient way to attain the program objectives? • To what extent is there duplication or complementarity between CTEIP and other public, private or non-governmental organization programs or services? • How does the program compare with similar programs supported by other national governments? • Does the current measurement of performance effectively reflect the CTEIP results?
Other questions	
Other evaluation questions	<ul style="list-style-type: none"> • Are the annual deadlines for submitting indemnification applications appropriate? • Is indemnification a good solution for applications concerning objects of a lower market value? • Do the program's regulatory requirements seem appropriate? • Is the compensation of experts always adequate? • Have the recommendations of the 2011 evaluation been implemented as planned?

3.2.1. Data-gathering methods

Several data-gathering methods involving primary and secondary data were used: a study of program documents and data, a literature review, and interviews with key players. A trend analysis of the market value of cultural objects and the cost of commercial insurance for such objects has also been produced.

All the information used in the evaluation was coded with Nvivo analytical software. Data triangulation and analysis identified the key findings and supported the drafting of the report.

Study of program documents and data

The relevant documents and data produced by the program were studied. Official Government of Canada documents such as the Speech from the Throne and Budgets as well as PCH departmental documents (reports on plans and priorities, departmental performance reports, program alignment architecture (PAA) and integrated activity plans) were also examined during the document study.

The review of CTEIP administrative data created to support management of continuing monitoring and performance measurement supplied quantitative information on program activities and achievement of expected outcomes.

Literature review

Literature reviewed included reports and articles, websites of interest, research, and national and international public opinion surveys. The information gathered supported the analysis of several evaluation questions and highlighted various trends involving both the context and conditions surrounding travelling exhibitions. The literature review also provided comparison among CTEIP and existing programs in four other countries (United States, New Zealand, Australia and Great Britain).

Interviews with key players

Interviews with key players provided information about the operation of the program as well as the perceptions of people who either play an important role in design or execution, or are beneficiaries.

Sixteen key players were interviewed:

- Program manager and employees (n = 3);
- Representatives of institutions from whom all indemnification applications were approved during the period evaluated (n = 5);
- Representatives of institutions from whom some indemnification applications were approved while others were withdrawn or rejected (n = 4);
- Representatives of CCI and external experts participating in the Advisory Group (n = 3);
- One international expert in the museum field.

In this report, except where stated otherwise, an opinion is reported when shared by a majority of key players. When additional details are provided on the number of key players sharing an opinion, the following terms are used:

- “a few” when fewer than 20% of the people interviewed gave the same answer;
- “some” when 20 to 49% of the people interviewed gave the same answer;
- “many” when 50 to 75% of the people interviewed gave the same answer; and
- “most” when more than 75% of the people interviewed gave the same answer.

Program cost-benefit and critical threshold analyses

An analysis conducted by an external consultant added to the data gathered and provided a better understanding of the main trends involving the value of movable cultural objects and the cost of insuring such objects. The data used came from interviews conducted with representatives of institutions, the private insurance sector and administrative data.

3.2.2. Constraints and limits

Although the methodology provided certain advantages, such as the combination of qualitative and quantitative data sources as well as primary and secondary data, some constraints and limitations of the evaluation must be noted.

Some of the administrative data provided by the program was not compiled uniformly and therefore had to be reworked for the purposes of this evaluation. Other data (e.g. commercial insurance premiums paid by institutions) was not gathered by the program or was incomplete. Although this complicated the exercise of obtaining accurate values for some indicators, the evaluation was still able to provide estimates.

In June 2012, the liability limit was raised to \$3 billion. It was more difficult to determine trends in the number and value of indemnified exhibitions under this recent new limit.

Comparisons between CTEIP and similar programs in the four other countries were limited by the lack of information on the number of indemnified exhibitions or the real costs of these programs.

However, these constraints did not hinder the report’s conclusions.

4. Relevance

This section presents the key findings on relevance.

4.1. Ongoing need for the program

Key findings

In taking on a significant share of the indemnification of the value of objects presented in travelling exhibitions, particularly since the legislative changes made to the indemnification limit, CTEIP is definitely meeting a need for financial support voiced by heritage institutions that present travelling exhibitions.

As stated by a few key players, the program provides stability for short- and medium-term planning of travelling exhibition costs and protection against some fluctuations linked to the economy and the evaluation of risks.

The passage of the Act in 1999 and the creation of CTEIP in 2000 reflected the federal government's determination to support the efforts of museums to diversify cultural offerings to Canadians through greater access to travelling exhibitions. This forms part of the approach taken by the federal government to support museums and heritage institutions, a desire dating back to the early 1970s, with the creation of the National Museum Policy, and the renewed 1990 Canadian Museum Policy. Several programs administered by PCH are evidence of a recognition by the federal government of the importance and role of museums as special venues for celebrating history and heritage, and for creating dynamic cultural experiences.

During the period evaluated, the needs of program beneficiaries changed little, except for the value of the cultural objects exhibited. Several factors influence the value of cultural objects, such as the strength and stability of the global economy, financial markets in large countries, political conditions, currency exchange rates and government regulations. The leading brokerages firms and art auction houses have posted annual sales increases of almost 10% since 2009¹⁶ without an increase in the number of objects sold at auction. Auction sales of some works by famous Canadian and international artists have brought unprecedented prices and have had a spinoff effect on the estimation of fair market value of all artworks.¹⁷

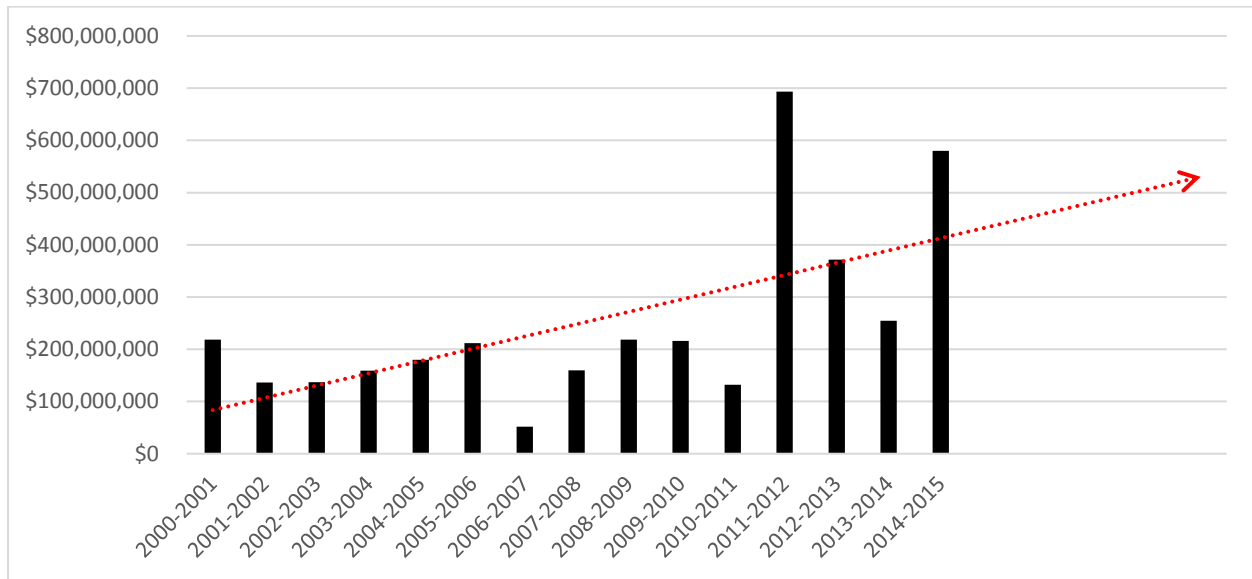
The rising value of artistic cultural assets in recent years has been reflected in the increased value of travelling exhibitions indemnified by CTEIP.¹⁸ That value has risen by 206% since the last evaluation, from \$4.5 billion in 2006-2011 to \$13.8 billion in 2011-2015. Figure 2 shows a rising trend in the annual average value of exhibitions indemnified since the start of the program, a trend that will most likely continue in the future given the rising value of cultural objects and legislative changes made in 2012 to the liability cap for indemnifications and how that is calculated.

16 Kaplash-Tanner, S., *Canadian Travelling Exhibition Indemnification Program*, February 2016, pp. 10, 11 & 16.

17 Kaplash-Tanner, S., *Canadian Travelling Exhibition Indemnification Program*, February 2016, pp. 13-14.

18 During the evaluation period, four travelling exhibitions reached a value of more than \$1 billion and the value of one exhibition exceeded \$2 billion.

Figure 2: Growth of the average annual value of exhibitions and five-year trend



In offering to take on a larger share of the cost of indemnification of objects presented by travelling exhibitions with the legislative changes to the indemnification limit, CTEIP is definitely meeting a need for financial support voiced by museums organizing and presenting travelling exhibitions.

CTEIP is also meeting some of museums' other needs:

- The requirement by some lenders that indemnification be assured through the assumption of some financial risk by the Government of Canada;
- protection against rising insurance premium costs;
- protection against a decline in the Canadian dollar;
- investment in improvements to museum facilities (security and lighting, temperature and humidity controls); and
- investment in current or future travelling exhibitions.

A few program representatives stated that the program's existence lends stability to short- and medium-term planning for the cost of travelling exhibitions, and protection against certain fluctuations linked to the economy and the evaluation of risks.

4.2. Harmonization with government priorities

Key findings

CTEIP reflects government priorities to support museums seeking to attract more works of international calibre to Canada.

CTEIP activities seeking to improve access by the Canadian public to Canadian and international heritage are aligned with PCH strategic outcomes.

Federal government priorities

CTEIP activities are governed by the Act, which was passed in 1999 and was amended in 2012.¹⁹ This change, announced in the federal government's *Economic Action Plan 2012*, reaffirmed support for museums and art galleries through indemnification.²⁰ This program upgrade was part of federal government efforts to support museums seeking to attract more works of international calibre to Canada.

PCH strategic outcomes

CTEIP objectives, as mentioned in the 2014-15 *Report on Plans and Priorities*, are “to increase Canadians’ access to Canadian and international heritage through the circulation of cultural objects and exhibitions in Canada, and to provide eligible Canadian heritage institutions with a competitive advantage when competing with foreign institutions for the loan of prestigious international exhibitions.”²¹

CTEIP activities and outcomes thus support achievement of the Heritage Group’s objectives, to ensure that “Canada’s cultural heritage is preserved and accessible to Canadians today and in the future. It enables the heritage sector to . . . create and circulate exhibitions and other forms of heritage content.”²²

CTEIP activities therefore contribute to attaining PCH Strategic Outcome 1 of the PAA: “Canadian artistic expressions and cultural content are created and accessible at home and abroad.”²³ , This strategic outcome is associated with the “dynamic culture and heritage” outcome of the Social Affairs sector of the federal government.

19 The [Canada Travelling Exhibitions Indemnification Act](#), updated 2015-12-10, latest amendment 2012-06-29

20 [Canada’s Economic Action Plan 2012](#)

21 Canadian Heritage. *2014-15 Report on Plans and Priorities*, p. 46.

22 Canadian Heritage. *2014-15 Report on Plans and Priorities*, p.42.

23 Canadian Heritage. PCH Program Architecture Alignment for 2014-2015, effective April 1, 2014.

4.3. Harmonization with federal government roles and responsibilities

Key findings

CTEIP is in harmony with federal government roles and responsibilities; it supports access to culture and heritage in Canada and carries out its related responsibilities.

The *Canadian Museums Association Brief* submitted in preparation for an amendment to the 2012 Act repeated the need for federal support of culture and heritage in Canada, as these are central elements of the country's existence and because Canada's museums generate income, create jobs and represent a significant return on the federal government's investment in the cultural sector.²⁴

By being involved in international or interprovincial travelling exhibitions, the Government of Canada is exercising its rightful responsibilities in culture, an area of shared jurisdiction with the provinces.

²⁴ [Brief from the Canadian Museums Association](#)

5. Performance

The following sections present the findings of the CTEIP evaluation linked to its performance: effectiveness, efficiency and economy.

5.1. Achievement of expected outcomes

Key findings

- Overall, the program attained its objective of improving Canadians' access to global and Canadian cultural heritage and, to some extent, giving institutions a competitive advantage.
- A total of 29 travelling exhibitions (28 international and 1 national) received support from the program. An average of seven travelling exhibitions were supported annually, similar result to previous periods.
- The program indemnified 48% of the estimated value of objects presented in travelling exhibitions. This percentage is related to the liability limits established by the Government of Canada during the period evaluated.
- CTEIP helped reduce the cost of insurance for institutions, with savings exceeding \$3 million.
- A limited number of institutions benefited from indemnification of travelling exhibitions.
- The measures implemented by the program to reduce risks appear appropriate, since CTEIP has received no claims since it was launched in 2000-2001.
- The legal and regulatory changes made to the program have provided support to travelling exhibitions with a greater total value than in the past (more than \$13 billion compared with more than \$9 and \$4 billion in previous evaluations).
- The changes made to the annual liability limit made it possible to simultaneously approve more exhibitions during a given fiscal year.
- The program surpassed its target with almost four million visitors for indemnified travelling exhibitions.

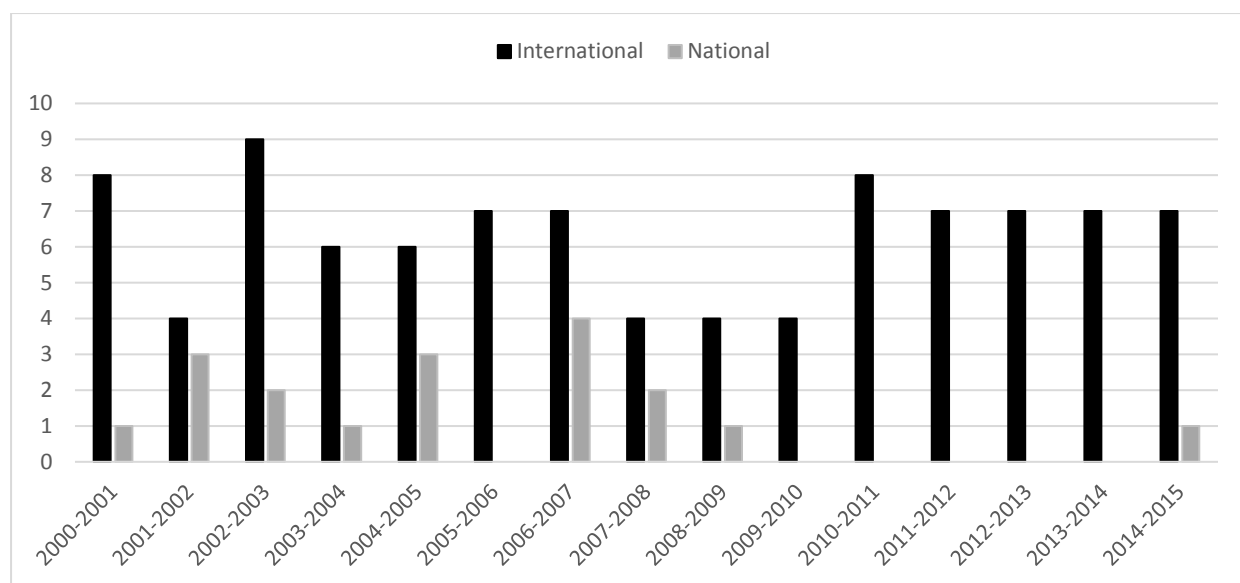
Achievement of outcomes: Canadian heritage institutions that meet the program requirements can obtain commercial insurance at reduced rates.

The evaluation found that some Canadian heritage institutions have access to indemnification of cultural objects presented in travelling exhibitions. By supporting the presentation of travelling exhibitions by museums, CTEIP is meeting one of its two objectives, to increase access for Canadians to Canada's and the world's heritage through the exchange of artifacts and exhibitions in Canada.

During the period evaluated, the program's support for museums gave Canadians access to 29 travelling exhibitions. Figure 3 shows that the annual number of travelling exhibitions supported by CTEIP since the program began in 2000-2001 has varied during each evaluation period. During the four years of the sub-evaluation period (2011-2012 to 2014-2015), an average of 7.3 travelling exhibitions received support from the program, which remained fairly constant with the

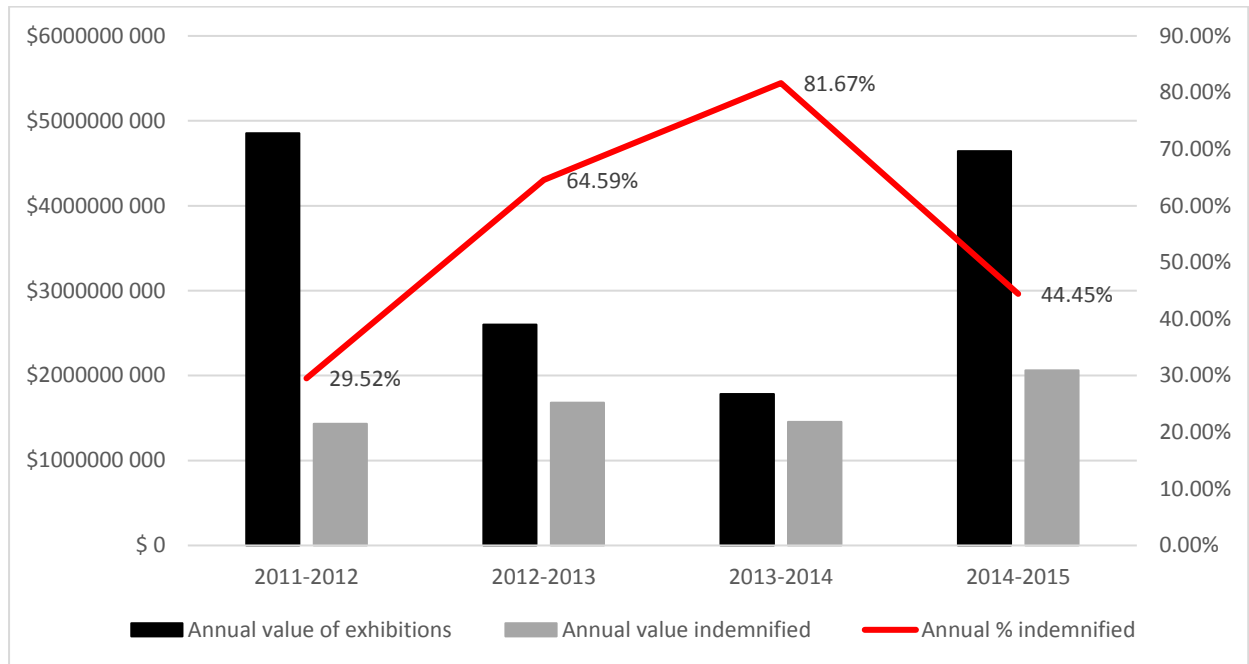
overall average of 7.5 travelling exhibitions supported over 15 years. However, while 10 national travelling exhibitions were supported by the program between 2000-2001 and 2005-2006 (average of 1.7), there were seven between 2006-2007 and 2010-2011 (average of 1.4) and just one during the current evaluation period (average of 0.25). It should be noted that until 2013, the maximum indemnification value that CTEIP could provide in a given year was \$1.5 billion. Due to demand exceeding the available liability limit and the fact it could not accept all requests submitted, the program sought approval of an annual departmental strategy for reaching the maximum indemnification value through various combinations of travelling exhibitions based on the total value of the objects to be indemnified (high, average and low), as previously the liability limit was quickly reached.

Figure 3: Annual number of international and national travelling exhibitions supported by CTEIP, 2000-2001 to 2014-2015



The total value of indemnified cultural objects exhibited in Canadian museums by travelling exhibition between 2011-2012 and 2014-2015 was \$6,632,925,174 based on a total value of objects and appurtenance presented in these travelling exhibitions of \$13,881,141,528 (48%). Given the indemnification limit of \$450 million per travelling exhibition up to 2012 and \$600 million since that date, the 48% rate represents the maximum indemnification contribution the program made to support heritage institutions presenting international and national travelling exhibitions in Canada.

Figure 4: Annual percentage of the total value of travelling exhibitions that is indemnified



The cost of insurance paid by a museum can account for 17% of an exhibition’s budget, depending on the size or overall value of the exhibition.²⁵ The size of CTEIP’s direct contribution to reducing insurance costs varies depending on several criteria, including:

- The costs associated with indemnification of the deductible established by the program, based on the total indemnification value of the objects presented;
- The requirement by certain lenders that the heritage institutions obtain private insurance, as is the case for 33% of lenders in Europe²⁶ and about 10 CTEIP lenders;
- The program’s indemnification limit per travelling exhibition;
- The costs associated with shipping cultural objects with a value exceeding the limit applicable to transportation (\$100 million).

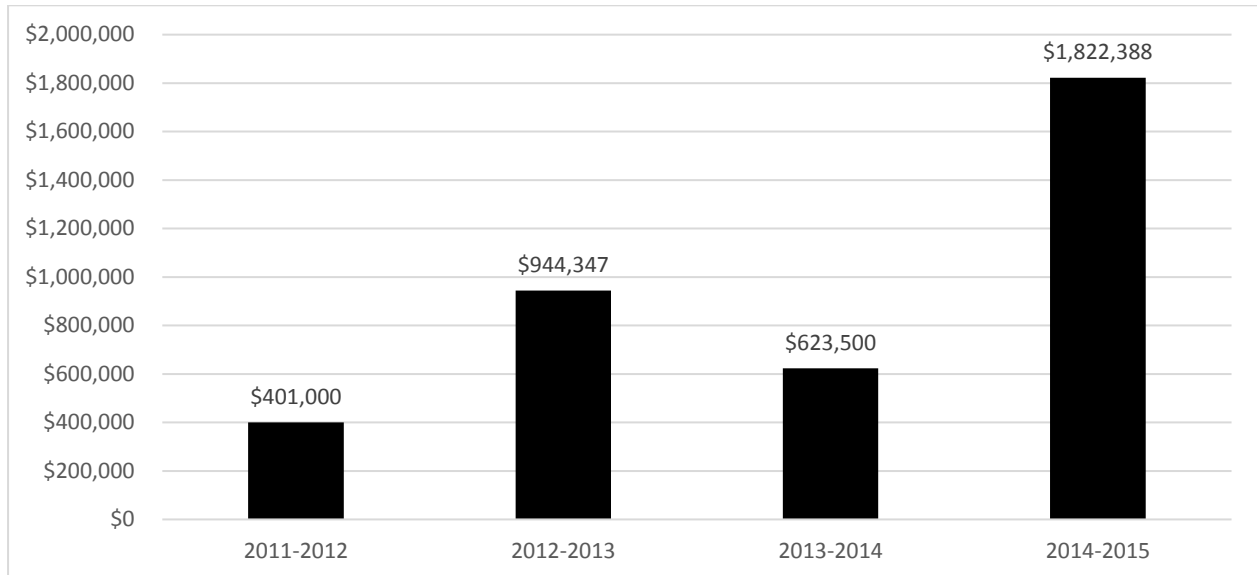
Heritage institutions that received indemnification during the period evaluated report total savings during these four years of \$3,301,975, an average saving of \$113,861 dollars per travelling exhibition indemnified by CTEIP. Since institutions presenting travelling exhibitions do not always inform the program of the total cost of the insurance they must take out for each travelling exhibition, we cannot accurately determine the proportion that the CTEIP contribution represents. Note that the value of savings definitely fluctuates with the market value of insurance costs, but the proportion represented by the CTEIP contribution remains fairly constant over time. However, many key players specifically emphasized the importance of this contribution for organizing travelling exhibitions.

²⁵ Performance Measurement, Evaluation and Risk Strategy, August 2013, p. 3.

²⁶ *Valuation of Works of Art for Lending and Borrowing Purposes*, report prepared by Cornelia Dümcke and Freda Matassa on behalf of the European Expert Network on Culture, November 2012.

The increase in the indemnification ceiling in June 2012 for travelling exhibitions consisting of cultural objects valued at more than \$450 million constitutes a real increase in the program's contribution to reducing insurance costs, even given the addition of another bracket to the deductible table.

Figure 5: Annual value of savings associated with CTEIP indemnification of travelling exhibitions²⁷



Access to CTEIP indemnification for cultural objects included in a travelling exhibition in some cases constitutes indispensable support. Many players stated that without this indemnification, they would have had to reduce the scope of their exhibition or the number of objects presented, while others would have cancelled the exhibition or diverted funds from the budget of another exhibition. The indemnification therefore allows the host institutions to achieve savings that could be applied to other budget items. These savings, combined with the requirements of some lenders or with other benefits that meet the needs of museums (as presented in the program's Continuing Need subsection in the section on Relevance), create a competitive advantage for these institutions when seeking the loan of objects for an exhibition.

However, before deciding to use the indemnification provided by CTEIP, a museum must consider the costs linked to preparing the application and any additional requirements the program may dictate. Although the minimum value for access to the program under the Act is \$500,000, the required approval of the facilities by the program and preparation of the application are costly in terms of time and resources. They can become prohibitive for some heritage institutions with limited resources. Although most institution representatives say the main reason for seeking indemnification coverage from CTEIP continues to be the high value of a travelling exhibition, the minimum threshold at which institutions are interested in resorting to CTEIP is variable: \$100 million for institutions with a very generous insurance policy for temporary exhibitions, or \$20 to \$25 million for other institutions. In practice, during the period covered by

²⁷ Heritage institutions post-exhibition reports.

the evaluation, the lowest value of an indemnified exhibition was \$16 million (approved coverage of \$10.2 million), while in the previous evaluation period, three exhibitions with a value under \$10 million and five with a value between \$10 and \$20 million received indemnification coverage (see Appendix B “Value of Exhibitions”).

During the four-year period evaluated, CTEIP supported the presentation of 29 travelling exhibitions, fewer than in previous program periods, but with a higher total value. The estimated value of the objects presented during these travelling exhibitions is calculated to be in the tens of billions of dollars, and CTEIP reduced the insurance costs paid by the institutions presenting these travelling exhibitions by taking on indemnification of 48% of their estimated value of the cultural objects during the evaluation period. It should be pointed out, however, that a limited number of institutions benefited from indemnification of travelling exhibitions and that these exhibited fine art or archeological objects, whereas the Regulations stipulate that institutions with various functions presenting many types of cultural heritage may apply for indemnification. We therefore find that the eligibility criteria, factors to be considered and costs associated with an application influence access to the indemnification provided by CTEIP.

Achievement of outcomes: Owners of objects loaned obtained reasonable and appropriate risk coverage.

CTEIP has instituted a series of measures to assure lenders that objects temporarily loaned to heritage institutions obtain indemnification reflecting their value and that these are shipped and exhibited consistent with both accepted practices and the environmental conditions required for their preservation. These measures reduce the risk that the Government of Canada might face within the limits of its liability if an object were to be damaged.

Thus, the value of objects may be verified twice: the list of objects submitted to CTEIP for indemnification must include a third-party appraisal of fair market value of the objects; where major differences are noted between the value required by the lender and that identified by the third party, a program officer conducts an additional verification and, if necessary, refers the request to the institution to review the value of the objects with the owners.

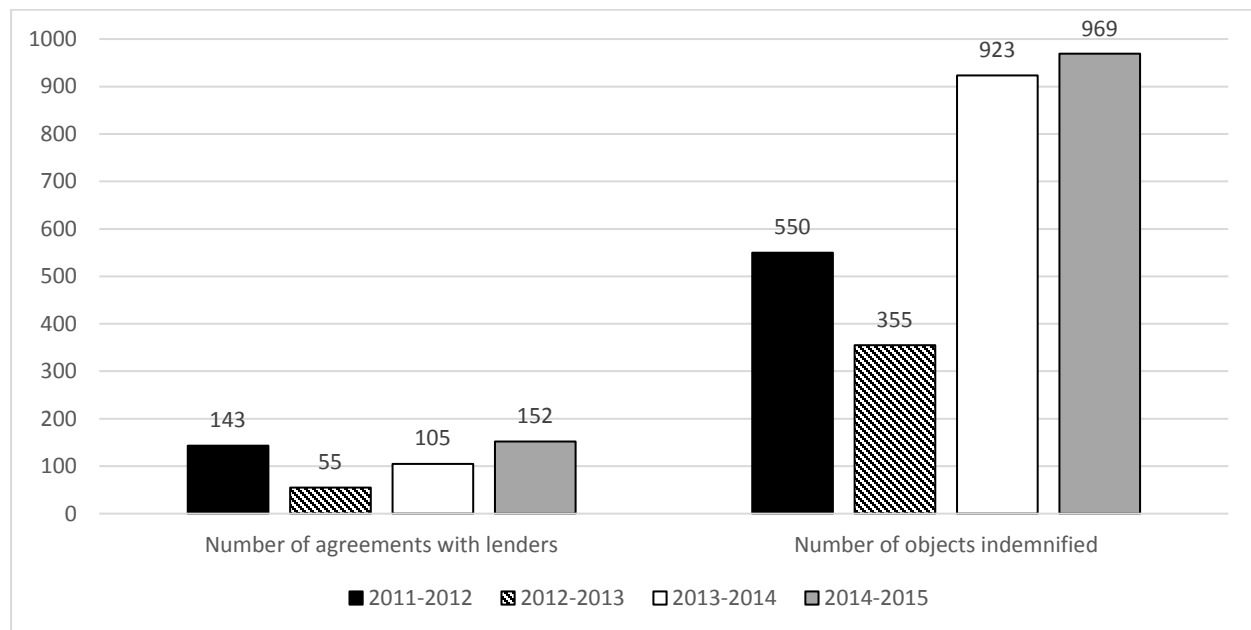
The security of objects, both in transit and during the exhibition, is insured by various means:

- evaluation of the museum’s facilities, repeated every five years;
- inspection of facilities for security conditions appropriate to the nature of the exhibition and of the facilities;
- identification of special environmental conditions required by the lender;
- review of the risks inherent in the arrangements for security, fire protection and collections preservation, including environmental control by the committee of independent conservation experts and Canadian Conservation Institute experts; and
- requirements specific to transportation (packing, handling, and shipping requirements).

Finally, certain exceptions to indemnification coverage are included as an additional way to mitigate the risk assumed by the Government of Canada (civil strife, acts of war or serious negligence).

Thus, Canadians gained access to 2,797 cultural objects from inside and outside Canada. These objects were loaned by 455 institutional or individual lenders (see figure below).

Figure 6: Number of agreements with lenders, and number of objects indemnified each year²⁸

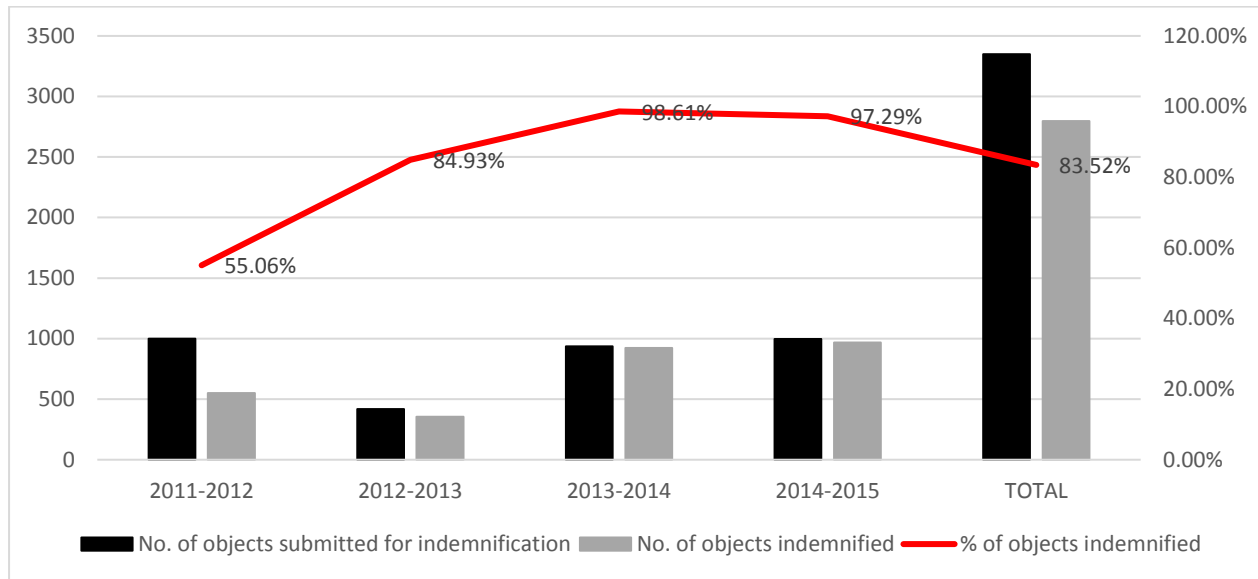


Source: CTEIP Reports, 2011 to 2015

As shown in Figure 7, an increasing numbers of objects were indemnified and almost 84% of objects initially submitted for indemnification were insured.

²⁸ An agreement with a lender sometimes covers several heritage objects.

Figure 7: Percentage of objects indemnified per year²⁹



The measures implemented to ensure risk coverage by the program appear to be effective, since the number of objects withdrawn by lenders is very low and CTEIP has received no claims from lenders for damage or destruction of objects from when the program began in 2000-2001 until 2014-2015. The owners of the heritage objects loaned for travelling exhibitions therefore resumed possession of them, the Government of Canada did not have to compensate lenders, and Canadians benefited from the presence of thousands of global or Canadian objects to which they would not otherwise have easily had access.

Legal and regulatory changes related to liability limits

The 2011 evaluation of CTEIP made only one recommendation. It suggested developing options to mitigate the incidence of the program’s gradually declining impact linked to the rising value of exhibitions, due to a fixed liability cap.³⁰ This recommendation was implemented in 2012 during the legislative and regulatory amendments.

²⁹ The number of objects submitted for indemnification under the program is drawn from individual fact sheets from each exhibition indemnified during the evaluation period. In some cases, variations were noted between the number of objects indemnified, as shown in the exhibition fact sheet, and the number of objects indemnified as reported in the “Program Overview since 2000” administrative data. For exhibitions with a very high market value of objects (Abstract Expressionist New York or Picasso: Masterpieces for the Musée National Picasso, Paris), the variance is greater. However, as one program representative mentioned, in these specific cases, the approach was to indemnify all the objects up to the maximum limit allowed by the program. The number of objects withdrawn represents the difference between the number of objects initially submitted for indemnification and the number of objects actually indemnified. An object may be removed from the list for a variety of reasons: the lender or even the museum may withdraw the object from the indemnification process, the agreement with the lender may not have been signed, etc. In addition, the number of objects for which indemnification is actually rejected by the program is not indicated. However, one program representative states that this number is very low (approximately seven objects a year, due to the nature of the objects).

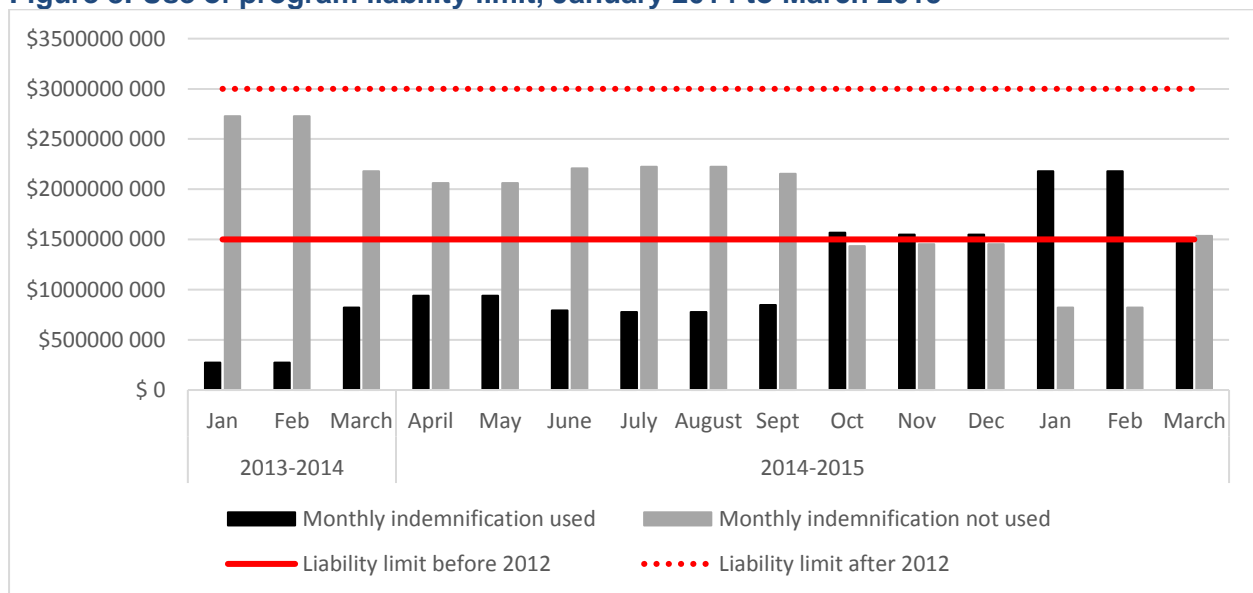
³⁰ *Canada Travelling Exhibitions Indemnification Program Evaluation Report*, July 2011.

Thus, access to the program was limited until 2012 and the cumulative annual liability limit, set at \$1.5 billion by the Act in December 1999, and the limit per travelling exhibition, set at \$450 million, were no longer adequate. The 2011 evaluation of the program recommended developing options in this regard to mitigate the impact of the gradual decline in the program’s impact.

Analysis of the guarantee and insurance systems in place in other countries³¹ indicates that the liability limit varies from country to country, ranging between \$3 billion for Canada to no limit for other countries (Great Britain, New Zealand). This lack of a liability cap was mentioned by a few key players as an example that Canada should follow. All countries have coverage that includes conditions and exclusions and some of them are similar to Canada: the British system and the system in the United States.

These changes were implemented following amendments to the program’s Regulations in 2013. Note that little time has elapsed between implementation of the legislative and regulatory changes and the end of the period under evaluation. However, the usefulness of changing from a cumulative annual liability limit to a liability limit valid at all times was demonstrated in 2014-2015, as the total value of indemnified travelling exhibitions exceeded the former limit by the third month of the fiscal year (June 2014) and represented a total value of \$6.6 billion, more than four times the value of the previous liability limit. Twice in 2015 (January and February), the total value of indemnified exhibitions rose to almost \$2.2 billion (Figure 8), while at the same time the limit of \$600 million was attained by two travelling exhibitions.

Figure 8: Use of program liability limit, January 2014 to March 2015



A few key players stated that the new indemnification limits meant that institutions were no longer competing against each other. Some key players consider the current limits satisfactory.

Thus, the legal and regulatory changes made to the program in 2012 and 2013 supported the presentation of several travelling exhibitions which had a greater value than was the case in the

31 For comparative details, see the table in Appendix D.

past. However, the program could strive for greater economic impact through greater use of its annual liability limit to raise the cap and enable institutions presenting travelling exhibitions to increase their savings on insurance.

Achievement of intermediate outcome: Canadian heritage institutions are able to present national and international travelling exhibitions.

Museums must review their facilities to be eligible for indemnification. Through the program, facilities are fully assessed every five years, while an abbreviated review³² is included in the indemnification application for an exhibition. CCI conservation and security experts are responsible for assessing facilities.

One indicator for measuring this outcome is the number and type of institutions that meet the facility assessment requirements. Table 3 shows the data on facility approvals. Institutions whose facility approval is compliant and active roughly match the number of exhibitions approved for indemnification, while two applications are currently pending for CCI assessment.

Table 3: Data on facility approvals³³

Number of institutions where facility approval is:	Number
Compliant with CTEIP standards and active	13
Under assessment by CCI	2

The program would definitely benefit from the identification of all institutions participating in the program's benefits. This would provide a better idea of the program's reach among heritage institutions and could better publicize its existence and objectives among potential beneficiaries.

Data is limited on the changes demanded by CCI of institutions after assessing their facilities, and on any changes made by these institutions. However, a few comments were gathered on this topic. Improvements were noted, mainly in security processes or environmental controls. A few key players also indicated that the recommendations issued by CCI to modernize their facilities had helped with documentation to request funding to make the required upgrades. On the other hand, if major expenditures had been required following the facilities assessment, they probably would have withdrawn their applications for indemnification.

Given the difficulty of gauging the extent to which the program leads institutions to upgrade their facilities to meet its standards, systematic collection of this information would make it possible to measure the program's impact on conservation and security of objects loaned for travelling exhibitions, and on continued improvement of facilities in the institutions hosting these exhibitions.

32 Full assessment of facilities confirms the institution's ability to host travelling exhibitions and helps institutions update information on changes made to their facility (renovation, expansion, etc.), while the facilities review covers more specific requirements for each exhibition.

33 PIEIC, 2011 Program Reports 2011-2015.

Achievement of ultimate outcome: Canadians have greater access to Canadian and international heritage.

The 29 travelling exhibitions supported by the program between 2011-2012 and 2014-2015 were exhibited in 34 different locations (see table below). The institutions that requested indemnification for travelling exhibitions were all located in Canada’s major cities.

The vast majority of exhibitions were held in two provinces: Quebec (10 exhibitions) and Ontario (14 exhibitions). Furthermore, two institutions hosted proportionately more than four out of ten of the indemnified exhibitions during the evaluation period: the Art Gallery of Ontario and the Montreal Museum of Fine Arts, with six exhibitions each.

A single interprovincial exhibition was indemnified during the period evaluated. Organized by the Beaverbrook Art Gallery in Fredericton, New Brunswick, it was hosted by the Glenbow Museum in Calgary and the Winnipeg Art Gallery. All other exhibitions were brought to Canada by international institutions or lenders and, save only a few exceptions, to a single Canadian site each.

Table 4: Institutions that have hosted an indemnified exhibition

Institutions that hosted an indemnified exhibition	City	Province	Number of indemnified exhibitions by institution
Montreal Museum of Fine Arts	Montreal	Quebec	6
Art Gallery of Ontario	Toronto	Ontario	6
National Gallery of Canada	Ottawa	Ontario	4
Vancouver Art Gallery	Vancouver	British Columbia	4
Royal Ontario Museum	Toronto	Ontario	3
Canadian Museum of History	Gatineau	Quebec	2
Glenbow Museum	Calgary	Alberta	2
Musée de la civilisation du Québec	Quebec City	Quebec	1
Art Gallery of Alberta	Edmonton	Alberta	1
Art Gallery of Hamilton	Hamilton	Ontario	1
Winnipeg Art Gallery	Winnipeg	Manitoba	3
Pointe-à-Callière	Montreal	Quebec	1
Total			34³⁴

Most of the key players agreed that support from the program helped give Canadians access to objects and collections that otherwise would have been hard to access. This is evident in the large attendance at travelling exhibitions at Canadian heritage institutions indemnified by CTEIP.

During the period evaluated, institutions reported a total of almost four million visitors. This total is based on the success of a number of travelling exhibitions such as the Picasso exhibition hosted

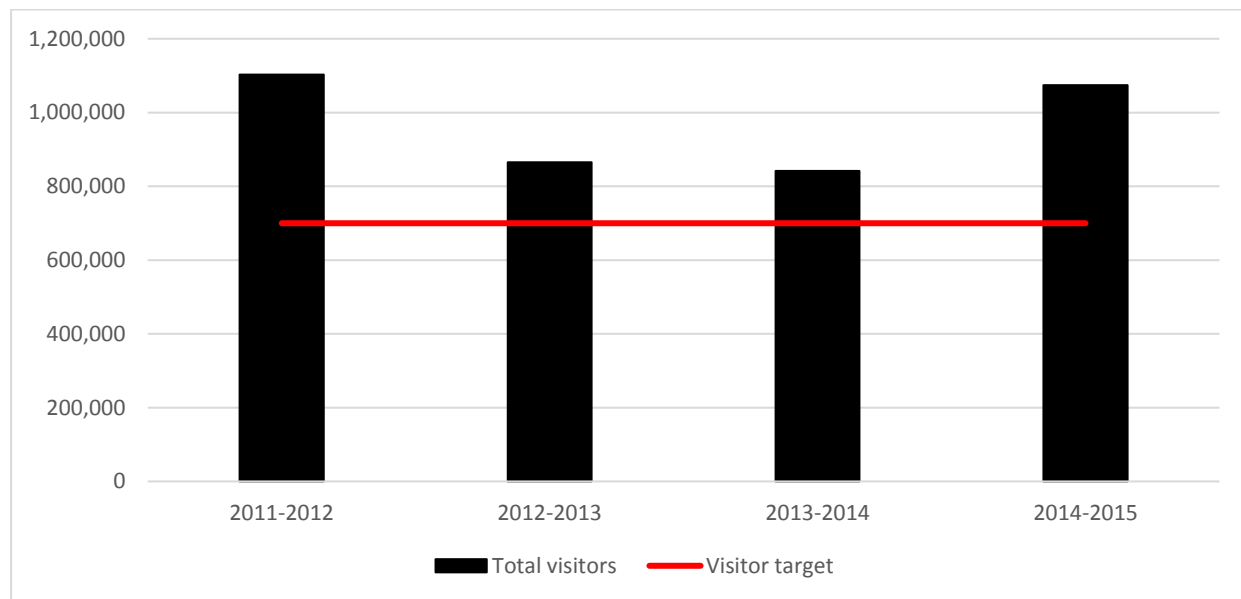
³⁴ Note that the same exhibition may be exhibited in more than one institution.

by the Art Gallery of Ontario in 2012, which drew an average of some 3,000 visitors each day, for a total of 308,776 visitors, or the Van Gogh: Up Close exhibition presented in 2012 at the National Gallery of Canada, which drew an average of 2,278 visitors each day for a total of 230,146 visitors.

Institutions that receive indemnification are required to report to the program on the outcomes attained by the indemnified exhibition, including the number of attendees. The data available indicates that museum attendance has been growing in recent years.³⁵ Attendance varies based on several factors (time of year, the economy, exchange rate, etc.). This is not unique to institutions served by the program but applies to all cultural programming in Canada.

The table below shows attendance data. Almost four million people visited the indemnified exhibitions, with an average of 133,973 visitors per exhibition during the evaluation period, indicating that the program reached its annual performance target of 700,000 visitors.

Figure 9: Attendance at indemnified exhibitions compared with the target³⁶



Unexpected outcomes

In general, the evaluation did not identify unexpected outcomes. Only a few key players said that the questions asked by members of the experts group helped them firm up their thinking on planning for their exhibitions and increased cooperation among institutions.

35 HILL STRATEGIES RESEARCH INC. “Canadian’s Art, Culture and Heritage Activities in 2010,” in *Statistical Insights on the Arts*, Vol. 10, No. 2, Report funded by the Department of Canadian Heritage. Canada Council for the Arts and Ontario Arts Council, February 2012, pp. 2-3. Canada Council for the Arts. *A Portrait of 77 Art Museums / Public Art Galleries*. 2015, p. 9.

36 PIEIC, Program Reports 2011-2015.

A few key players said that cancellation of the Exhibit Transportation Services provided by CCI until 2008 continues to affect the movement of international exhibitions because that programme had partially subsidised professional packing, shipping and other services. Although the loss of this service was beyond the scope of this evaluation, it should be noted that the transportation of exhibitions across Canada can be influenced by many factors, including high transportation costs.

5.2. Demonstration of efficiency

Key findings

During the period covered by the evaluation, program expenditures were just over \$1.5 million. Maintenance and operating expenditures as well as salary expenditures rose in the past year. Savings achieved on commercial insurance were more than double the cost of the program.

With respect to CTEIP's implementation, although some areas are satisfactory (e.g. communication with the program), the evaluation revealed components that could be changed to make the program more efficient: the program's website, digitizing and placing documents online, deadlines for submitting applications, the format of indemnification agreements, shipping and some aspects of the experts' committee.

CTEIP complements one provincial program and two federal programs. Similarities and differences are also observed with international programs with which the program was compared.

Progress is needed to improve the systematic gathering and the integrity of performance data. Due to the lack of measurement of one objective, the program's next performance measurement strategy should include indicators to document the program's competitive benefits.

Budget and actual expenditures

Over the evaluation period, total CTEIP expenditures were slightly more than \$1.5 million, of which almost 95% was allocated to salaries³⁷ and 5% to maintenance and operating expenditures (see Table 6).

For the years covered by the evaluation, program expenditures were over budget, but the variance is explained by the change in the Department's calculation method.³⁸ Only forecast program expenditures are included in budgeted resources, while actual expenditures include expenditures shared with the Branch.³⁹

37 The program has two full-time equivalents.

38 Financial information for the subprogram contained in departmental reports such as the Main Estimates for government expenditures and accounts was required only for Vote 5 (Grants and Contributions). Now, in reports on plans and priorities and departmental performance reports, financial information must be presented by subprogram, for Vote 1, Vote 5 and legislative authorizations.

39 Actual expenditures for the program alone are unknown.

Maintenance and operating expenditures were under budget during the first two years of the evaluation period, but rose in the final year. A similar trend emerged for salary costs, which declined between 2011-2012 and 2012-2013 and then rose steadily.

Table 5: Forecast and actual expenditures⁴⁰

	2011-2012		2012-2013		2013-2014		2014-2015		Total	
EXPENDITURES	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast (total)	Actual (total)
Salaries and benefits	\$247,027	\$381,718	\$247,027	\$322,650	\$247,027	\$330,978	\$247,027	\$416,202	\$988,108	\$1,451,548
Maintenance and operation	\$16,800	\$13,478	\$16,800	\$12,684	\$16,800	\$18,153	\$16,800	\$27,091	\$67,200	\$71,406
TOTAL	\$263,827	\$395,196	\$263,827	\$335,334	\$263,827	\$349,131	\$263,827	\$443,293	\$1,055,308	\$1,522,954
VARIANCE	\$131,369		\$71,507		\$85,304		\$179,466		\$467,646	

40 Financial Management Branch, Canadian Heritage.

The table below compares the program’s administrative costs with savings achieved on commercial insurance. This ratio confirms that the savings achieved are more than double the cost of the program during the period evaluated. The administrative cost per travelling exhibition (n = 29) was \$52,515.

Table 6: Program cost compared with savings achieved

	2011-2012	2012-2013	2013-2014	2014-2015	Total
Program administrative costs	\$395,196	\$335,334	\$349,131	\$443,293	\$1,522,954
Insurance savings	\$401,000	\$944,347	\$623,500	\$1,333,128	\$3,301,975
Insurance savings / program administrative costs	1.01	2.82	1.79	3.01	2.17

Program implementation

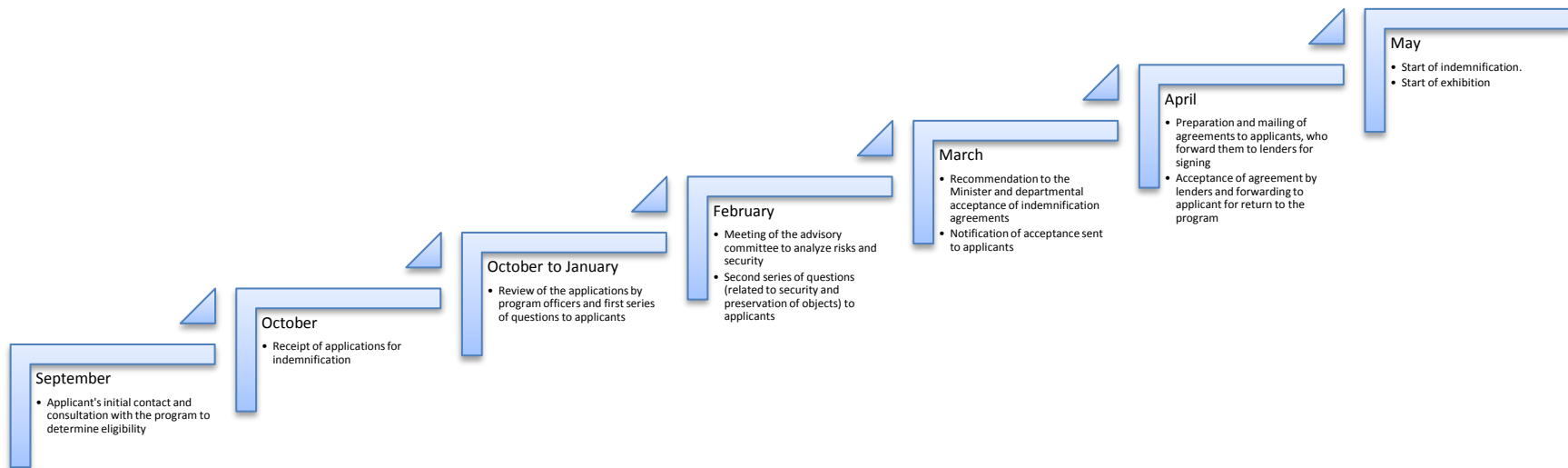
The program is designed to ensure that all conditions are implemented so that the risks assumed by the Government of Canada are minimized, and indemnification of objects is provided under conditions that comply with this objective of risk reduction. However, the program could also benefit from changes made in various government sectors to innovate and modernize processes and approaches without compromising the objective of risk reduction. Presented below are a few aspects of the program that could benefit from these changes.

The program is characterized by a facilities assessment and approval process extending over several months and punctuated by many informal discussions between program officers and institutions seeking indemnification for the travelling exhibitions they organize, and by the meeting of the experts’ committee.

The first obligation for an applicant, prior to submitting an application for indemnification of a travelling exhibition, consists of a thorough assessment of the facilities of the institution. This assessment takes five or six months, must be renewed every five years and requires submission of documentary evidence (e.g. building, ventilation and heating systems, fire protection and security plans). It is conducted by CCI experts.

The main stages in the decision-making process for an indemnification application under the program are shown below.

Figure 10: Stage in the decision-making process for an indemnification application



Some stages in the application evaluation and decision-making process are reviewed in greater detail as part of this evaluation. Some of these stages need improvement.⁴¹

- Communication with heritage institutions
 - The evaluation finds that program clients like the personalized service delivered by the program, because the information provided is useful and timely. Program employees are considered professional and competent. Many key players also stated that this type of service improved their efforts. It must also be stressed that this personalized service, encouraged by the program on its website, leads to numerous discussions with clients.
 - The program's website is considered up-to-date and useful. However, to reduce direct requests to the program while facilitating access, additional information could be added. This would allow institutions to better assess the costs linked to any indemnification application and facilitate their decision-making process. This information might expedite the application process and ensure greater consistency in the quality of applications submitted. This information could take the form of questions and answers on the main points raised by applicants, including the application form, details of related costs to be covered by an institution for preparing an indemnification application compared with the potential savings on insurance, a list of the program's most frequent requests that incur costs (security, environmental climate control, micro-environment) and an application checklist.

- Digitization and online posting of forms
 - Several program operations would benefit from digitization, such as in the area of accessibility, the five-year facilities review requirement and indemnification applications, including the supplemental facilities review report, performance measurement, and the institution's post-exhibition report. Digitizing and placing these documents in a database would foster better tracking of various types of applications and program outcomes, while reducing the administrative burden placed on heritage institutions, especially those that have previously submitted applications. This approach could provide several benefits for institutions as well as the program: by facilitating completion of the indemnification application, reducing the number of supplemental questions submitted to institutions about their facilities when applying for indemnification—a situation that can generate discontent among institutions that use program services most often, and simplifying production of reports for administrative and departmental use. The 2011 evaluation also suggested reducing administrative formalities linked to indemnification applications, especially for institutions making frequent use of the program. An online indemnification application system is now being used in the United States. The Province of Quebec uses a government decree for its national museums, which is an expedited, efficient approach that could serve as a model for CTEIP to accelerate applications from Canada's national heritage institutions (see section: Duplication or complementarity between CTEIP and other programs).

41 Several potential improvements were suggested in the 2011 report, including establishment of a clearer decision-making process; reduction of administrative formalities related to applications; change of deadlines for submitting applications; use of a multiyear service contract with some experts; fewer exclusions from indemnification coverage.

- Deadlines for submitting indemnification applications
 - The 2011 evaluation of CTEIP suggested changing the deadlines for submitting applications for indemnification coverage due specifically to the difficulty in obtaining all the required transportation information. The deadlines for submitting applications remain the same as in 2011 (October 1 and April 1). The program should also address the requirement that the indemnification applications be studied by the experts' committee. The comments and observations of some key players reinforce the need to reconsider this approach:
 - A few key players pointed out that the October 1 deadline is problematic for institutions for several reasons, as it is increasingly rare for a museum to plan a major exhibition that far in advance;
 - This date falls immediately after summer exhibitions close and does not leave enough time to obtain all the necessary information required to submit a request at that time (e.g. value and size of objects, detailed plan of exhibition halls);
 - With this date, it is impossible to provide specific details about shipping, transit, packing, etc.
 - Although some key players suggested adding a third date, in January, an analysis of indemnification application deadlines indicates a wide variance in the time when indemnifications come into effect. Therefore, this evaluation suggests instead that the program study the feasibility of a different approach, including the option of submitting an application at any time of year while maintaining the meetings of the experts' committee to study the applications, or any other approach that would better meet applicants' needs.
 - By comparison, the dates for submitting applications vary greatly between countries. Some countries show greater flexibility by not having a deadline for submitting an application.⁴²
- Transporting cultural objects and finalizing the process
 - Specific information must be provided on shipping objects to be included in a travelling exhibition, as the transportation requirements must be included in the application. This can be a difficult requirement for institutions to meet, since this information may only be known a few weeks before the exhibition opens and may change on just a few days' notice. Since the program sends the indemnification agreement to the lender only after the shipping requirements are known, this sometimes creates deadlines that some consider too tight. Program officials are aware of this situation and work with each applicant to ensure the information in the initial application is sufficient to guarantee the security of the objects while

⁴² Like Canada, the United States has two deadlines, and applications may not be submitted more than one year and three months before indemnification coverage begins. In New Zealand, an application for support can be submitted up to two years in advance and the final application up to six months before the travelling exhibition. In Australia, applications may be submitted up to 18 months in advance, and the final application 60 days before the exhibition. Finally, in Great Britain, when the application is made by a national institution, it must be submitted at least one month in advance, or three months in advance if not a national institution.

allowing some flexibility for changes in the transportation arrangements. Finally, these tight deadlines sometimes cause stress and incur additional costs for institutions requesting indemnification (e.g. costs of temporary insurance with private insurers if the indemnification application is rejected, courier costs).

- Format of indemnification agreements
 - A few key players mentioned the constraints linked to delays in obtaining lenders' signatures. The agreements sent are long and sometimes elicit questions from lenders. The format of CTEIP's indemnification agreement is not representative of what is normally found in the commercial insurance sector: a certificate of coverage. A few key players believe that use of such a certificate could simplify the process of confirming indemnification with lenders.⁴³ The program could also study the option of using electronic signature software for the exclusive use of lenders and the Crown, to expedite the process and help institutions save time.
- Experts' committee
 - A few key players stated that experts' committee teleconferences are efficient and productive, while an in-person meeting at head office would allow committee members to exchange views with the program on recent developments and trends in the field of preservation and security of cultural objects. The conservation experts interviewed voiced a strong commitment to the committee's work. It must be noted, however, that the committee lacks official terms of reference and a description of each member's roles and responsibilities. Formal terms of reference for the experts' group would clarify its role and provide a better understanding of each committee member's role and responsibilities as well as the professional qualifications required of experts to participate in the committee.
 - CCI staff devote about 16 days a year to the CTEIP program, to prepare for and attend meetings, plus a month to assess about five facilities a year. The costs of CCI's contribution are not included in the current program expenditures.

A review of the *Claims Procedure* found in the *Canada Travelling Exhibitions Indemnification Regulations* shows it to be consistent with the program principles and objectives, with the goal of protecting the government from questionable claims and providing indemnified lenders with the agreed compensation within a reasonable time. Since no claim has ever been made, however, this procedure has not yet been used, so we were unable to gauge its suitability in an actual situation.

Other ways to attain the program objectives

Based on the analyses conducted during the evaluation, the most efficient and viable way for Canadian institutions to insure travelling exhibitions is through a government-run indemnification program. Although some private lenders still require commercial insurance, a government indemnification program assures lenders that their objects have sufficient insurance coverage by an organization with a sound reputation (the federal government). The indemnification systems in New Zealand and the United States are similar to CTEIP, as they combine the government guarantee with commercial insurance.

⁴³ This issue should be studied further in terms of feasibility and associated risks.

The literature review indicates that the cost of commercial insurance is attributable in part to the fact that insurance companies over-estimate the risks of damage or loss to the objects exhibited, which increases the premiums to be paid by heritage institutions,⁴⁴ places pressure on museum budgets and might even limit planned travelling exhibitions and potential loans among museums.⁴⁵ However, given the lack of claims for damage or loss of objects and continuing improvements in museum security, the risk of damage or loss is small.⁴⁶ The table below shows a few of the main benefits and drawbacks of the two approaches to insuring a travelling exhibition.

Table 7: Benefits and drawbacks of indemnification models

	Suited to cases such as	Benefits	Drawbacks
Government indemnification	Foreign loans	Reduced premium or no premium	Complexity of the application and related procedures
Commercial insurance	Private lenders	Can be purchased easily and quickly Fast settlement of claims	Expensive Over-estimate of risks insured Premium calculation not always transparent

Regardless of the means institutions use to insure objects in a travelling exhibition, the market value of objects remains a constant issue. Several reports and publications on indemnification systems in Europe have suggested that the market value of objects should not determine their insured value.⁴⁷ The commercial art market is often a poor indicator of the market value of an object. A report published in 2012 on the appraisal of art works for lending and borrowing recommended, among other things, the introduction of better regulations on appraisal of art works by lending and borrowing institutions as well as governments.⁴⁸

44 GALAMBOS, Henrietta, BERGEVOELT, Frank, “Prevention or Compensation? Alternatives to Insurance,” in PATTERSON, Susana *et al.* (Ed.) *Encouraging Collections Mobility – A Way Forward for Museums in Europe*, with support from the European Union’s Culture 2000 Program, pp. 174-183.

45 High insurance premiums were cited as an obstacle to lending or borrowing objects by 81% of museums interviewed in a survey conducted in 2012. (Dümcke, Cornelia, Matassa, Freda (2012), *Valuation of Works of Art for Lending and Borrowing Purposes*, European Expert Network of Culture, November 2012, p. 38).

46 For example, between 2007 and 2011, for 2,296 exhibitions covered by an indemnification system, organized in 17 European countries, only 16 cases of damage were reported, representing 0.016% of a total of about 100,000 objects borrowed. (European Agenda for Culture, *Toolkit on practical ways to reduce the cost of lending and borrowing of cultural objects among member states of the European Union, Open method of coordination*. Working Group of EU Member States’ Experts on the Mobility of Collections, September 2012, p.19.).

47 GALAMBOS, Henrietta, BERGEVOELT, Frank, *Report by the OMC sub-group on State indemnity and shared liability agreements*, 69 p., GALAMBOS, Henrietta, BERGEVOELT, Frank, *Handouts Workshop Valuation, insurance, state indemnity, shared liability*, Lending for Europe 21st century; Dümcke, Cornelia, Matassa, Freda (2012), *Valuation of Works of Art for Lending and Borrowing Purposes*, European Expert Network of Culture, November 2012.

48 Dümcke, Cornelia, Matassa, Freda (2012), *Valuation of Works of Art for Lending and Borrowing Purposes*, European Expert Network of Culture, November 2012, p. 42-44.

Duplication or complementarity between CTEIP and other programs

At the provincial level, the Government of Quebec is the only jurisdiction with a loss indemnification system. By decree,⁴⁹ the government assumes all risks of damage incurred by its national museums⁵⁰ for human creations or products of nature that form part of their collections, wherever they may be situated. The government also assumes all risks of damage incurred by one of these national museums for works owned by a third party and in the custody of one of these museums for exhibition purposes, wherever the objects may be, including in transit under certain conditions. Each national museum covers a deductible of \$25,000 per claim. CTEIP and the provincial indemnification system are complementary, specifically because the institutions eligible under the Quebec system are limited to three national museums in Quebec. These institutions are not required to submit an application for indemnification because they are covered by government decree. During the period evaluated, the Musée de la Civilisation du Québec submitted an application to CTEIP at the request of a lender demanding coverage by the Government of Canada.

The approach taken by the Province of Quebec for museums directly under its authority seems promising. The program, along with its main contributor, CCI, could consider a process that allows Canada's national museums to use its services through an expedited process while ensuring that risks incurred for objects loaned to them are minimized.

For federal programs, this evaluation highlighted the complementary aspects between CTEIP and two other programs in the PCH portfolio: two components of the Museums Assistance Program (MAP): Access to Heritage (funding for travelling exhibitions) and the Movable Cultural Property Program (MCP) (component – designation).

CTEIP and MAP

CTEIP and MAP share the common objective of enhancing Canadians' access to Canada's heritage, while each has its own specific objectives as well as different means for implementation (for details, see Appendix C).

CTEIP provides indemnification coverage for major travelling exhibitions (national or international). In turn, MAP is a grant and contribution program with two components.

- Access to Heritage promotes greater access to heritage by linking various geographic regions of Canada. Eligible projects are related to travelling exhibitions, to assist heritage organizations in reaching new audiences. Maximum eligible funding is \$400,000.
- Funding for Travelling Exhibitions assists museums with the costs of hosting travelling exhibitions originating from another museum or from a federal heritage institution and borrowing artifacts for exhibition from the Canadian Museum of History or the Canadian War Museum. Maximum eligible funding is \$15,000.

⁴⁹ *Gazette officielle du Québec*, February 28, 2007, 139th year, No. 9, pp. 1370-1371.

⁵⁰ Musée national des beaux-arts du Québec, Musée d'Art contemporain de Montréal and Musée de la Civilisation.

Objects included in travelling exhibitions funded by MAP are loaned exclusively to other Canadian institutions, and in both cases, a priority was placed on financial assistance to exhibitions covering key events or persons in Canadian history.⁵¹

CTEIP and MCPP

CTEIP has several components similar to and complementary with MCPP (designation component):

- same type of beneficiaries;
- institutions must undergo a review of their facilities;
- similar application analysis process;
- forms for facilities assessment; and
- similar stakeholders.

Despite these commonalities, program and CCI representatives say these are two very different processes. The same form for facilities review is indeed used for CTEIP and MCPP (designation component) to avoid duplication should an institution wish to submit applications to both programs simultaneously, but the programs' objectives differ (see Appendix C) and the risks linked to indemnification of objects with a very high value mean that the facilities assessment must be more demanding for CTEIP than for MCPP (designation component).

Measuring CTEIP performance

Given the limited role played by CTEIP in the presentation of travelling exhibitions and the small number of travelling exhibitions supported, the program would benefit from amending its objectives to better reflect its activities and align them with PCH strategic outcomes. As well, more data would have been useful to measure achievement of program outcomes. This data is specified earlier in this report.

The evaluation notes progress in how performance measures, listed in the Performance Measurement, Evaluation and Risk Strategy, have been collected since the last evaluation of CTEIP. In part, the program has developed a new tool for tracking performance indicators, in the form of an Excel spreadsheet containing information on:

- indemnification coverage (total value of exhibition, indemnification coverage approved, number of indemnification agreements signed, number of lenders, number of objects indemnified, start and end dates of indemnification coverage, number of exhibition sites in Canada, number of visitors);⁵²
- the post-indemnification questionnaire⁵³ administered to institutions that hosted a travelling exhibition;

51 According to *Museums Assistance Program Guidelines for 2016-2017*, funding priorities for all components of MAP focus on projects linked to the anniversaries of historical milestones identified in the Road to 2017, and the production and movement of exhibitions on key events or persons in Canadian history. In addition, loans of artifacts from the Canadian Museum of History and the Canadian War Museum for exhibition purposes are encouraged.

52 Program overview since 2000.

53 Post-Exhibition Reports Results 2012-2016.

- Estimated savings on commercial insurance achieved by institutions and how these were reallocated;
- A monthly update on the remaining indemnification limit.

Progress is expected further to improvements in the systematic gathering and the integrity of data. Digitization of forms and their inclusion in a database as well as the automatic production of reports could facilitate progress and allow the program to measure its outcomes.

Analysis of the program's objectives raised doubts about the relevance of the program's objective: "Provide Canada's art galleries, museums, archives and libraries with a competitive advantage when vying for the loan of prestigious international exhibitions." Given that most countries presenting major exhibitions now have a support program for their institutions, a review of this objective is suggested as part of the updating of measurement tools and the report on performance.

CTEIP has supported the presentation of quality travelling exhibitions while establishing strict conditions to reduce the risk incurred by the Government of Canada. However, the program could review its operating methods to improve the service experience for applicant institutions without reducing risk control, and while enhancing its internal efficiency. Finally, the program must make efforts to expand its ability to report its outcomes and successes.

6. Conclusion

The CTEIP program is appreciated by the institutions that use its services. It expands Canadians' access to global and Canadian heritage while respecting the priorities, roles and responsibilities of the Government of Canada and PCH. The program has supported institutions in the exhibition of objects valued in excess of \$13 billion and seen by almost four million visitors.

Since the year 2000, CTEIP has contributed to the presentation of many travelling exhibitions. The evaluation reveals, however, that due to established liability limits, institutions presenting this type of exhibition mainly supported international travelling exhibitions. Combined with strict accessibility conditions, this situation limited access to the program, especially for Canadian travelling exhibitions. Legislative changes to the Government of Canada's liability limit increased the value of objects indemnified but has still had no influence on the number of travelling exhibitions supported by the program.

Operation of the program has changed little since it was launched. Beneficiaries are generally satisfied with its approach, but efforts to modernize its processes and digitize information about its activities would improve service to institutions as well as the program's ability to monitor its activities and report on its outcomes.

7. Recommendations, management response and action plan

The two following recommendations linked to effectiveness and efficiency emerge from the evaluation findings.

Recommendation 1: effectiveness – greater accessibility		
<p>Given the increase in the government’s liability limit, it is suggested that the Assistant Deputy Minister of Citizenship, Heritage and Regions study ways to facilitate access to the program for heritage institutions and other institutions that might benefit from the protection afforded for presenting travelling exhibitions, to improve access to culture and sharing of heritage, especially Canadian heritage.</p>		
Management response		
<p>The Heritage Group accepts this recommendation.</p> <p>The program was designed for high-value exhibitions, with a minimum value per exhibition set at \$500,000 by the Regulation. The program already allows for some flexibility in dealing with applicants based on the specific nature of exhibitions, especially the specificity of works, and the risks associated with shipping, exhibition and handling. Finally, there is a complementary program within the directorate for institutions and exhibitions not eligible for CTEIP: the Museums Assistance Program, through its “Funding for travelling exhibitions” component.</p> <p>Given these factors, management will study the potential for greater flexibility to facilitate access to the program for heritage institutions.</p>		
Action plan	Deliverable(s)	Deadline
1.1 Update accessibility in the current context (constraints, limits) and identify solutions or options that could be considered to facilitate access to the program while considering the potential risks for the government.	Analysis of the situation and feasible options submitted to the Assistant Deputy Minister	December 31, 2017
1.2 Implement the options as appropriate, including obtaining the necessary approvals.	Implementation of the necessary changes and publication on the website	December 31, 2018
Date of full implementation		
December 31, 2018		
Responsible		
Associate Director General, Heritage		

Recommendation 2: efficiency – processing applications

The special nature of the program requires measures to protect the Government of Canada against risks incurred in the transport and exhibition of cultural objects. While factoring in this constraint, the Assistant Deputy Minister of Citizenship, Heritage and Regions is urged to review the program’s administrative process to improve the experience of the beneficiaries and the efficiency of the decision-making process on applications.

Management response

The Heritage Group accepts this recommendation.

Based on the analytical needs, the group plans to review the type of information requested to determine the Government of Canada’s risk and to identify potential improvements in the decision-making process. Tools will be developed to guide applicants through the application process more effectively and to provide the necessary information for submitting an application to the program. It is important to note, however, that CTEIP is not a grant and contributions program like others in the Department, and the risk factors to be considered are quite different and highly complex. The program also plans to review the current approval process to see whether it can be streamlined.

Action plan	Deliverable(s)	Deadline
2.1 Review the program’s administrative process with a view to improving the experience for beneficiaries by developing tools to facilitate the process for handling applications.	Review of the current process and implementation of an action plan	June 30, 2017
	Creation and posting of a guide for self-assessment and program application submission	September 30, 2017
	Creation of a new online application form better suited to risk analysis	March 31, 2018
2.2 Propose delegation of the approval level to reduce processing time by a few weeks.	A signature delegation proposal submitted to the Deputy Minister	March 31, 2017

Date of full implementation

March 31, 2018

Person responsible

Associate Director General, Heritage

Appendix A - evaluation framework

Evaluation questions	Indicators	Data sources	Data-gathering methods
Relevance			
Core Issue 1: Ongoing need for the program Evaluation of the extent to which the program continues to meet a demonstrable need and is receptive to the needs of Canadians			
1 a) Does the program still meet a demonstrable need?	<ul style="list-style-type: none"> • Changes and needs characterizing the internal and external environment of Canadian heritage institutions 	<ul style="list-style-type: none"> • Legislation and other documents • 2011 CTEIP evaluation report • Articles, reports and publications 	<ul style="list-style-type: none"> • Survey of the literature • Analysis of documents and administrative data
1 b) Is the program receptive to the needs of heritage institutions and Canadians regarding travelling exhibitions?	<ul style="list-style-type: none"> • Number of indemnification applications received and approved/rejected/withdrawn • Value of indemnification applications received and approved/rejected/withdrawn • Perspectives of key players 	<ul style="list-style-type: none"> • Program and PCH documents • CTEIP databases • Data from surveys and analysis of the literature on the program (articles, reports and publications) • Key players 	<ul style="list-style-type: none"> • Survey of the literature • Analysis of documents and administrative data • Interviews with key players

Core Issue 2: Harmonization with government priorities			
Evaluation of links between program objectives and (i) federal government priorities and (ii) departmental strategic outcomes			
<p>2 a) To what extent are the program objectives harmonized with federal government priorities?</p> <p>2 b) To what extent are the program objectives harmonized with PCH strategic outcomes?</p>	<ul style="list-style-type: none"> • Extent to which CTEIP terms of reference and objectives are harmonized with current federal government priorities • Extent to which CTEIP terms of reference and objectives are harmonized with PCH priorities and strategic outcomes • Perspectives of key players 	<ul style="list-style-type: none"> • Federal budgets, Speech from the Throne, announcements and news releases • Report on departmental plans and priorities • Findings of the 2011 CTEIP evaluation 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Survey of the literature • Interviews with key players
Core Issue 3: Harmonization with government roles and responsibilities			
Evaluation of the federal government's roles and responsibilities related to program delivery			
<p>3 a) To what extent is program implementation harmonized with federal government roles and responsibilities?</p>	<ul style="list-style-type: none"> • Extent to which CTEIP implementation is harmonized with federal government roles and responsibilities • Perspectives of key players 	<ul style="list-style-type: none"> • Federal budgets, Speech from the Throne, announcements and news releases • Legislation, policies • Reports on departmental plans and priorities • Findings of the 2011 CTEIP evaluation 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Survey of the literature • Interviews with key players
Performance			
Core Issue 4: Achievement of expected outcomes			
Evaluation of progress made in attaining expected outcomes (including immediate, intermediate and ultimate outcomes) compared with program targets and scope, and program design, which includes links between outputs and outcomes and the contribution of outputs to achievement of outcomes			
Progress made in attaining the immediate outcome:			
Canadian heritage institutions obtain reduced costs for the purchase of commercial insurance.			

<p>4 a) To what extent has the program's immediate outcome been attained?</p>	<ul style="list-style-type: none"> • Number and type of indemnified exhibitions per year • Number, type and value of indemnified objects per year • Number of indemnification agreements received/signed with lenders • Number and value of claims • Ratio of number of institutions whose travelling exhibitions were indemnified and total number of potential program beneficiaries • Amounts disbursed on commercial insurance by participating institutions, as applicable • Additional costs generated by non-coverage of exhibitions and objects • Value of insurance savings achieved for indemnified exhibitions • Revenue generated by holding travelling exhibitions • Use of savings achieved by Canadian host institutions, as applicable • Perspectives of key players on achievement of immediate outcome 	<ul style="list-style-type: none"> • Program and PCH documents and data • Articles, reports and publications • CTEIP databases • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Survey of the literature • Interviews with key players
--	---	--	--

<p>4 b) To what extent did legal and regulatory changes to liability limits contribute to achievement of the program's immediate outcome?</p>	<ul style="list-style-type: none"> • Comparison between the annual number of indemnification applications received and exhibitions approved before and after the increase in the liability limit • Comparison between the value of indemnification applications approved before and after the increase in the liability limit • Total amount of coverage per year (before and after amendment of the Act) • Extent to which current liability limits are consistent with the future needs of heritage institutions and market trends • Perspectives of key players 	<ul style="list-style-type: none"> • Program and PCH documents • CTEIP databases • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Interviews with key players
<p>Progress made attaining the intermediate outcome: Canadian heritage institutions have greater capacity to move major international and national travelling exhibitions.</p>			
<p>4 c) To what extent has the program's intermediate outcome been attained?</p>	<ul style="list-style-type: none"> • Number of facility reviews in the past five years • Number and type of institutions that upgraded their facilities to meet program requirements • Number and type of institutions that currently meet program standards (conservation, security, etc.) • Type of improvements made by institutions, as applicable • Perspectives of key players on achievement of the intermediate outcome 	<ul style="list-style-type: none"> • Program and PCH documents • CTEIP databases • Articles, reports and publications • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Review of the literature • Interviews with key players
<p>Progress made attaining the ultimate outcome: Canadians have access to Canadian and international heritage.</p>			

<p>4 d) To what extent does the program contribute to giving Canadians access to Canadian and international heritage?</p>	<ul style="list-style-type: none"> • Total number of exhibition sites in Canada and their geographic distribution • Variation in the number of members/ volunteers associated with presentation of travelling exhibitions • Number visitors to travelling exhibitions 	<ul style="list-style-type: none"> • Program and PCH documents • CTEIP databases • Articles, reports and publications • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Review of the literature • Interviews with key players • Focus group
<p>4 e) Have there been unexpected positive or negative outcomes attributable to the program? What are the potential effects arising from non-indemnification of an application?</p>	<ul style="list-style-type: none"> • Unexpected positive and negative outcomes attributable to the program • Short-term effects on a heritage institution if an application for a travelling exhibition is not approved • Perspectives of key players 	<ul style="list-style-type: none"> • Program and PCH documents • CTEIP databases • Articles, reports and publications • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Review of the literature • Interviews with key players • Focus group
<p>Core Issue 5: Demonstration of efficiency and economy Evaluation of resource use for producing outputs and progress made in attaining expected outcomes</p>			
<p>5 a) What were the program's forecast and actual expenditures?</p>	<ul style="list-style-type: none"> • Total program costs • Variance of actual costs from forecast costs • Trends in growth of administrative costs since the last evaluation • Number of FTE and salary costs 	<ul style="list-style-type: none"> • Program and PCH documents • Departmental reports • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Interviews with key players

<p>5 b) To what extent is the program implemented effectively and efficiently?</p>	<ul style="list-style-type: none"> • Relationships between resources used and <ul style="list-style-type: none"> ○ Workload completed ○ Outputs produced ○ Outcomes attained • Ratio of program costs to insurance savings for indemnified exhibitions during the past four years • Ratio of program costs to total value of objects indemnified • Extent to which Canadians receive good value for their investment in the program • Time required to process indemnification applications • Perspective of key players 	<ul style="list-style-type: none"> • Program and PCH documents • Departmental reports • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Cost-benefit and critical threshold analyses • Interviews with key players • Focus group
<p>5 c) Is there a more effective or efficient way to achieve the program objectives?</p>	<ul style="list-style-type: none"> • Extent to which alternate solutions would enhance performance • Extent to which alternate solutions would produce the same outcomes at lower cost • Perspectives of key players 	<ul style="list-style-type: none"> • Key players • Articles, reports and publications 	<ul style="list-style-type: none"> • Interviews with PCH representatives • Survey of the literature
<p>5 d) To what extent is there duplication or complementarity between CTEIP and other public, private or non-governmental organization programs or services?</p>	<ul style="list-style-type: none"> • Duplication or complementarity between CTEIP and other public, private or non-governmental organization programs or services • Perspectives of key players 	<ul style="list-style-type: none"> • Articles, reports and publications • Similar programs • Key players 	<ul style="list-style-type: none"> • Survey of the literature • Interviews with key players
<p>5 e) How does the program compare with similar programs supported by other national governments?</p>	<ul style="list-style-type: none"> • Comparison with similar indemnification programs in other industrialized countries 	<ul style="list-style-type: none"> • Key players • Articles, reports and publications 	<ul style="list-style-type: none"> • Interviews with key players • Survey of the literature

5 f) Does current performance measurement effectively account for CTEIP outcomes?	<ul style="list-style-type: none"> • Extent to which program performance indicator monitoring and measurement activities successfully measure achievement of CTEIP outcomes 	<ul style="list-style-type: none"> • Program documents • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Interviews with key players
6. Other evaluation questions			
6 a) Are annual indemnification application deadlines appropriate?	<ul style="list-style-type: none"> • Perspectives of key players on the extent to which deadlines for submitting indemnification applications are appropriate (sufficient in number and at the right time) 	<ul style="list-style-type: none"> • Key players 	<ul style="list-style-type: none"> • Interviews with key players • Focus group
6 b) Is indemnification an effective solution in the case of applications with a lower market value of objects?	<ul style="list-style-type: none"> • Extent to which indemnification is an effective solution for indemnification applications with a lower market value 	<ul style="list-style-type: none"> • Program data • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Cost-benefit and critical threshold analyses • Interviews with key players
6 c) Are program regulatory requirements considered appropriate?	<ul style="list-style-type: none"> • Extent to which current regulations on claims are appropriate 	<ul style="list-style-type: none"> • Program data • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Interviews with key players
6 d) Is experts' compensation still adequate?	<ul style="list-style-type: none"> • Extent to which compensation of experts remains adequate 	Comparison with compensation received by experts sitting on similar committees	<ul style="list-style-type: none"> • Survey of the literature
6 e) Has the recommendation from the 2011 evaluation been implemented as planned?	<ul style="list-style-type: none"> • Extent of implementation of the recommendation from the 2011 evaluation 	<ul style="list-style-type: none"> • Program data • Key players 	<ul style="list-style-type: none"> • Analysis of documents and administrative data • Interviews with key players

Appendix B: value of exhibitions

Table b1: Title of exhibitions, organizing institutions and national / international status of the exhibitions, 2011-12 to 2014-15

Year	Exhibition title	Organizing institution ⁵⁴	National/ International
2011-2012	Caravaggio and His Followers in Rome / Caravaggio et les peintres caravagesques à Rome	NGC	International
2011-2012	Abstract Expressionist New York	AGO	International
2011-2012	The Colour of My Dreams: The Surrealist Revolution in Art	VAG	International
2011-2012	Lyonel Feininger: from the Bauhaus to Manhattan / Lyonel Feininger: de Manhattan au Bauhaus	MMFA	International
2011-2012	Maya: Secrets of their Ancient World / Les secrets de la civilisation Maya	ROM	International
		CMH	
2011-2012	American Chronicles: The Art of Norman Rockwell	WAG	International
2011-2012	Picasso: Masterpieces from the Musée National Picasso, Paris	AGO	International
2012-2013	Van Gogh: Up Close / Van Gogh : De près	NGC	International
2012-2013	Collecting Matisse and Modern Masters: The Cone Sisters of Baltimore	VAG	International
2012-2013	Charlie Russell and the First Calgary Stampede	Glenbow	International
2012-2013	Louise Bourgeois 1911-2010	AGA	International
2012-2013	Once Upon a time... Impressionism: Great French Painting from the Clark / Il était une fois l'impressionnisme : chefs-d'œuvre de la peinture française du Clark	MMFA	International
2012-2013	Frida & Diego: Passion, Politics & Painting	AGO	International
2012-2013	Revealing the Early Renaissance: Stories and Secrets in Florentine Art	AGO	International
2013-2014	Mesopotamia: Inventing Our World / Mesopotamie	ROM	International
2013-2014	Splendore a Venezia / Splendore a Venezia	MMFA	International
2013-2014	The Forbidden City: Inside the Court of China's Emperors / La Cité interdite : À la cour des empereurs de Chine	ROM	International

54 AGA: Art Gallery of Alberta; AGH: Art Gallery of Hamilton; BAG: Beaverbrook Art Gallery; NGC: National Gallery of Canada; MMFA: Montreal Museum of Fine Arts; AGO: Art Gallery of Ontario; CMH: Canadian Museum of History; MCQ: Musée de la civilisation du Québec; ROM: Royal Museum of Ontario; VAG: Vancouver Art Gallery; WAG: Winnipeg Art Gallery.

2013-2014	John Ruskin: Artist and Observer / John Ruskin: Artiste et observateur	NGC	International
2013-2014	Peter Doig: No Foreign Lands / Peter Doig : nulle terre étrangère	MMFA	International
2013-2014	Francis Bacon and Henry Moore: Terror and Beauty	AGO	International
2013-2014	Les maîtres de l'Olympe. Trésors des collections gréco-romaines de Berlin	MCQ	International
2014-2015	Masterworks from the Beaverbrook Art Gallery	WAG	National
2014-2015	Gustave Doré (1832-1883): Master of Imagination / Gustave Doré (1832-1883) : L'imaginaire au pouvoir	NGC	International
2014-2015	The Greeks – Agamemnon to Alexander the Great / Les Grecs — D'Agamemnon à Alexandre le Grand	CMH	International
2014-2015	The World is An Apple: The Still Lifes of Paul Cézanne	AGH	International
2014-2015	Cézanne and the Modern: Masterpieces of European Art from the Pearlman Collection	VAG	International
2014-2015	From Van Gogh to Kandinsky / De Van Gogh à Kandinsky	MMFA	International
2014-2015	Marvels and Mirages of Orientalism / Merveilles and mirages de l'orientalisme	MMFA	International
2014-2015	Jean-Michel Basquiat: Now's the Time	AGO	International

Table b2: Total value of exhibitions, value of approved indemnities and deductibles for indemnified exhibitions 2011-12 to 2014-15

Year	Total value of exhibitions	Total annual value of indemnities	Total annual value of deductibles for indemnified exhibitions
2011-2012	\$4,854,793,992	\$1,432,810,886	\$2,775,000
2012-2013	\$2,601,625,807	\$1,680,314,555	\$2,425,000
2013-2014	\$1,783,312,347	\$1,456,368,737	\$2,000,000
2014-2015	\$4,645,905,358	\$2,063,256,116	\$3,275,000
TOTAL	\$13,885,637,504	\$6,632,750,294	\$10,475,000

Appendix C: comparative table of main components of CTEIP and MAP

	CTEIP	MAP	MCP
Program type	Indemnification program (process by which the government assumes the financial risks and pays any compensation in the event of loss or damage).	Grants and contributions	Designation
Beneficiaries	Heritage institutions: museums, archives or libraries in Canada, as well as the Canadian public	<p>Access to heritage:</p> <ul style="list-style-type: none"> • Canadians museums established as not-for-profit corporations • Associations of Canadian museums and service organizations established as not-for-profit corporations <p>Travelling exhibition funding:</p> <ul style="list-style-type: none"> • Canadian museums established as not-for-profit corporations 	<p>Organizations must be officially designated by the Minister of Canadian Heritage.</p> <p>A designated organization is:</p> <ul style="list-style-type: none"> • An establishment such as a gallery, art museum, archive or library; • A public administration such as a city, municipality, Aboriginal governing body or any other governing body that collects, preserves and exhibits cultural assets.
Objectives	<ul style="list-style-type: none"> • Improve Canadians' access to Canadian and world heritage through exchange of objects and exhibitions organized in Canada. • Give Canadian museums, archives and libraries a competitive advantage when vying for loans of prestigious international exhibitions. 	<ul style="list-style-type: none"> • Facilitate Canadians' access to our heritage. • Promote preservation of Canada's cultural heritage (other than built heritage), especially the preservation of collections representative of Aboriginal cultural heritage. • Promote the enhancement of knowledge, skills and professional practices linked to key museum functions. 	<ul style="list-style-type: none"> • Help designated organizations acquire cultural assets so they can be preserved and remain accessible for the benefit of all Canadians. • Provide tax incentives that encourage Canadians to donate or sell major cultural assets to designated organizations.
Eligible projects	<ul style="list-style-type: none"> • Exhibitions organized in Canada and exhibited in at least two Canadian provinces. This promotes travelling exhibitions within Canada and attains the government objective of enhancing access to Canada's heritage. 	<p>Access to heritage:</p> <p>Supports eligible activities related to travelling exhibitions (design, production, promotion, circulation, etc.). Exhibitions must be presented in at least one other location in Canada.</p>	<p>There are two categories of designated organizations:</p> <p>Category A: Unlimited designation for one or more groups of cultural assets in the following list:</p>

	<ul style="list-style-type: none"> Exhibitions in which the total fair market value of loaned objects from sources outside Canada exceeds the total fair market value of objects loaned from within Canada. These exhibitions need only be exhibited in a single location in Canada, because they give the Canadian public access to cultural and heritage objects to which it otherwise would not have access. 	<p>Travelling exhibition funding: Helps museums cover the costs linked to hosting a travelling exhibition from another federal heritage museum or institution and borrow objects from the CMH or the Canadian War Museum for exhibition.</p>	<ul style="list-style-type: none"> Group I: objects found in Canada's soil or waters; Group II: ethnographic material culture objects; Group III: military objects; Group IV: applied and decorative art objects; Group V: fine art objects; Group VI: scientific or technical objects; Group VII: archival material; Group VIII: musical instruments. <p>Category B: designation limited to a collection or a specific purpose</p>
<p>Indemnification coverage / funding</p>	<p>Since June 2012, the program's ultimate liability is \$3 billion at any given time, while the maximum per exhibition is \$600 million.</p>	<p>Access to heritage: Maximum funding per project: \$400,000 Maximum funding per fiscal year (April 1 to March 31) \$200,000 Maximum project duration: 2 calendar years* (24 months)</p> <p>Travelling exhibition funding: Maximum funding per project: \$15,000 In the case of two components, funding for hosting a travelling exhibition from another museum must not exceed 70% of eligible expenditures.</p>	<p>N/A</p>

Appendix D: comparative table of existing indemnification or insurance systems in Canada, the United States, Great Britain, New Zealand and Australia

	Canada (Canada Travelling Exhibitions Indemnification Program)	United States (Art and Artifacts Indemnity Program)	Great Britain (Government Indemnity Scheme)	New Zealand (Government indemnity scheme for touring exhibitions)	Australia (Australian Government International Exhibitions Insurance Program)
Year created	1999	1975	1980	1989	2010 (previously Art Indemnity Australia Program, created in 1979)
Organization responsible	Canadian Heritage	National Endowment for the Arts on behalf of the Federal Council on the Arts and the Humanities	Arts Council England on behalf of the Department for Culture, Media and Sport	Indemnity granted by the Minister of Finance on recommendation of the Ministry for Culture and Heritage	Ministry for the Arts
Terms of reference	Assume financial liability for loss of or damage to cultural objects and appurtenance forming part of an eligible travelling exhibition and reduce the insurance costs for travelling exhibitions.	Reduce insurance costs for travelling exhibitions.	Promote public access to objects that would not otherwise be available, by providing borrowing institutions with an alternative to the high cost of commercial insurance.	Facilitate public access to major exhibitions by assuming a significant proportion of the risk and thereby minimizing the proportion of commercial insurance the applicant must purchase.	The 2010 change was made to minimize the risk assumed by government and expand access by institutions to the organization of travelling exhibitions, as well as their geographic distribution.
Liability limits	In June 2012, the liability limit increased from \$1.5 billion to \$3 billion.	\$15 billion (international exhibitions)	No minimum or maximum for eligible national institutions ⁵⁵	No maximum ⁵⁶	No maximum or minimum (up to exhaustion of the

⁵⁵ However, annual limits are set for each eligible institution; at the start of the fiscal year, institutions must submit an estimate of the total monthly indemnification they are seeking. Parliament is informed of these estimates and institutions must notify the Secretary of State or department responsible of any overrun of £5 million or more above the approved cap. The necessary arrangements may then be made. National borrowing institutions also must assume an annual deductible of £5,000 as a contribution to the risk-management process.

⁵⁶ In New Zealand, the maximum available reflects the total risk the government assumes at any time and must not exceed \$150 million. The government measures risk based on the highest shipping value, even if it indemnifies the total value of an exhibition. For example, an exhibition may have a total value of

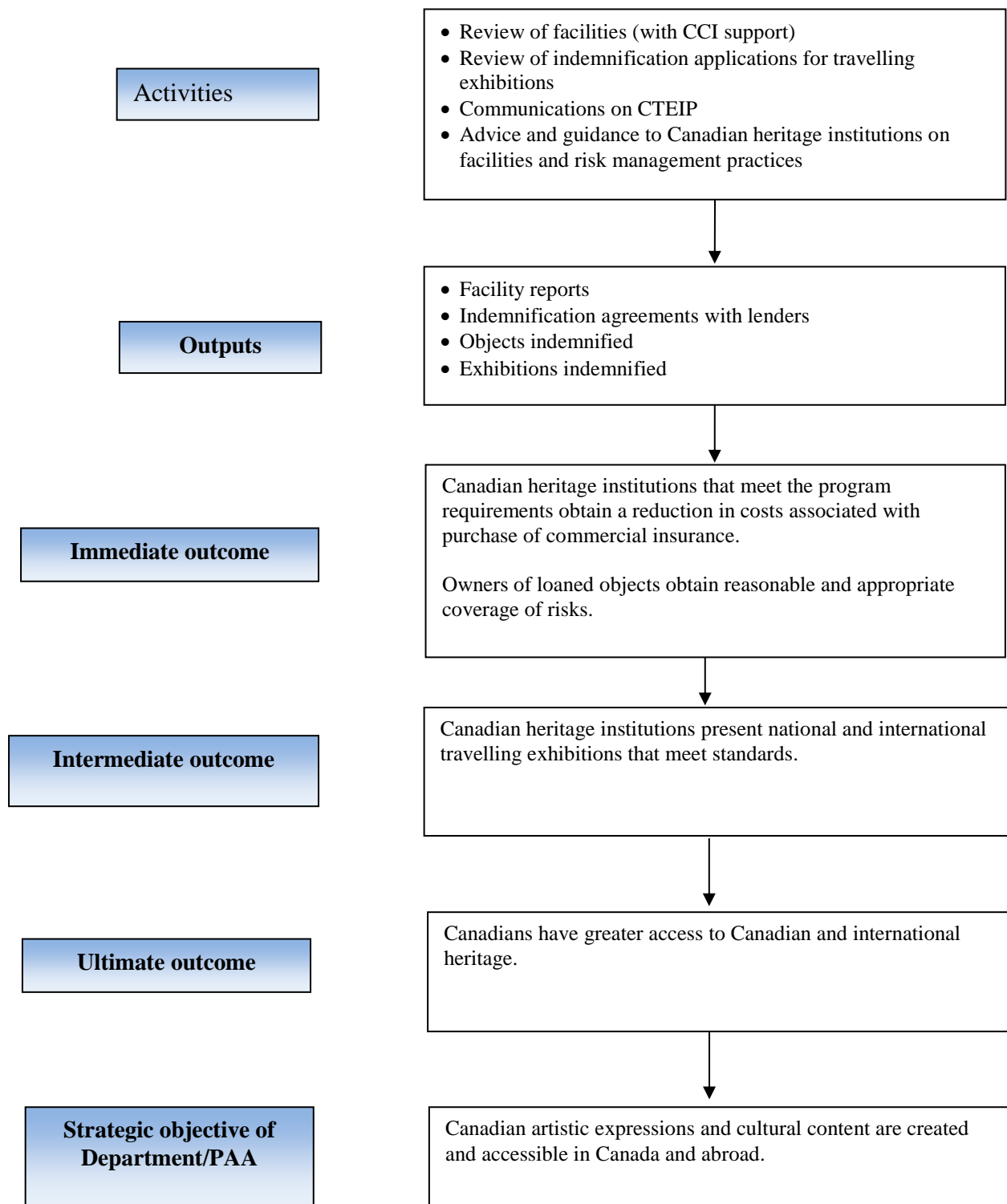
	Canada (Canada Travelling Exhibitions Indemnification Program)	United States (Art and Artifacts Indemnity Program)	Great Britain (Government Indemnity Scheme)	New Zealand (Government indemnity scheme for touring exhibitions)	Australia (Australian Government International Exhibitions Insurance Program)
		\$7.5 billion (national exhibitions) Institutions pay a deductible based on the value of indemnification approved.		Institutions pay a deductible based on the value of the exhibition.	\$2 million in grants available for purchase of commercial insurance) ⁵⁷
Maximum per exhibition	In 2012, the maximum for an exhibition was increased from \$450 million to \$600 million.	\$1.8 billion (international exhibitions) \$1 billion (national exhibitions)	N/A	No maximum value, but a minimum of NZ\$2.5 million	At least AU\$50 million for fine art exhibitions At least AU\$20 million for museum exhibitions
Maximum per vehicle	\$100 million	Less or more than \$80 million	N/A (<i>National Heritage Act 1980</i> sets out 19 general conditions applicable to shipping.)	NZ\$50 million; if the value of an individual component exceeds NZ\$50 million, it must be preapproved.	N/A
Application process in brief	<ul style="list-style-type: none"> The Canadian institution organizing or hosting a travelling exhibition must submit an application for indemnification coverage for an exhibition on behalf of all participants in the tour in Canada. Two annual deadlines 	<ul style="list-style-type: none"> Online application at grants.gov Two annual deadlines for national as well as international exhibitions Applications may not be submitted more than one year and three months before 	<ul style="list-style-type: none"> Applications by national institutions must be submitted as soon as possible, but no less than one month before the start date or two weeks before where the lender requires coverage for risk of war or negligence. The application is 	<ul style="list-style-type: none"> Applicants must submit notification of potential applications up to two years in advance. Applicants submit an official application to the ministry at least six months before the exhibition starts. 	<ul style="list-style-type: none"> Applications are submitted up to 18 months before the start of a proposed exhibition for support in principle, and if successful, submit a final application 60 days before the exhibition opens.

\$160 million and the works are shipped in four vehicles with a value of \$50, \$45, \$35 and \$30 million each. The government appraises the risk of loss for this exhibition at \$50 million, even though it provides indemnification for the full value. In addition, the combined risk of simultaneously indemnified exhibitions must not exceed the set limit of \$150 million.

⁵⁷ The funding decision is based on contributions made by other levels of government, as indemnification or in other forms, geographic distribution (preference to sites that host fewer travelling exhibitions), number of sites, partnerships, demonstrated capacity to host exhibitions, proposed insurance value at reasonable cost and consistent with market value.

	Canada (Canada Travelling Exhibitions Indemnification Program)	United States (Art and Artifacts Indemnity Program)	Great Britain (Government Indemnity Scheme)	New Zealand (Government indemnity scheme for touring exhibitions)	Australia (Australian Government International Exhibitions Insurance Program)
	<ul style="list-style-type: none"> • Applications must not be submitted more than one year before the start of the exhibition. 	the planned start of the indemnification.	<p>processed within five working days of receipt.</p> <ul style="list-style-type: none"> • Institutions that are not national must submit their application no later than three months before the planned date of indemnification. 		
Conditions and exclusions	<ul style="list-style-type: none"> • Loss of or damage to an indemnified object or accessory due to or arising from unusual wear, gradual deterioration, vermin, hidden defect, pre-existing flaw or condition, radioactive contamination, war, strikes, riots, civil unrest or repair processes, restoration, or retouching other than that performed at the Minister’s request, pursuant to subparagraph 12(b)(ii) of the Regulations. • Loss of or damage to an object or accessory due to intentional fault or serious negligence by the owner or a participating institution. 	<ul style="list-style-type: none"> • Total coverage for all risks of loss or physical damage with external causes (including natural disasters and acts of terrorism). • Few exclusions: normal wear, inherent defect, damage caused by or resulting from repair. • Not all objects are indemnified, either because they are fragile or for other reasons. 	<ul style="list-style-type: none"> • Total coverage. Some exclusions apply, specifically for: <ul style="list-style-type: none"> • war, hostilities or war operations, excluding acts of terrorism, riots, civil unrest, piracy and hijacking; • negligence by the owner or its employees; • condition (including inherent or pre-existing defect) of the object at time of loan; • restoration or conservation work performed by the borrower with the owner’s consent; or • claim made by a third party on grounds it has a claim to the object. 	<ul style="list-style-type: none"> • Generally total coverage, including for all transit and exhibition periods. • Applicant must take out “first risk” insurance with a commercial insurance company for the indemnity term. The amount of insurance required depends on the total value of the exhibition: NZ\$50,000 to NZ\$500,000, and must cover the risk of repairable damage, irreparable damage, loss and destruction. • Where liability to the lender exceeds the amount of the first risk insurance coverage, under the terms of the Act, the government covers the liability beyond the first risk coverage. 	Under the new approach, an exhibition with a cost exceeding \$50 million is better managed by commercial insurance. The government no longer assumes the risk incurred for potential loss or damage and reduces the administrative burden. Risk management is left to the institution, which must sign an agreement with a commercial insurer.

Appendix E: logic model



Appendix F: bibliography

Legislation

[Canada Travelling Exhibitions Indemnification Act](#), updated on 2015-12-10, last amended on 2012-06-29.

[Canada Travelling Exhibitions Indemnification Regulations](#), updated on 2015-12-10, last amended on 2013-01-31.

Policies and reports

Canadian Heritage. PCH 2014-2015 Program Alignment Architecture, effective April 1, 2014.

Canadian Heritage. PCH 2013-2014 Program Alignment Architecture.

Canadian Heritage. 2015-2016 to 2019-2020 Departmental Evaluation Plan, Evaluation Services Directorate. Strategic Policy, Planning and Corporate Affairs Sector, April 2015.

Canadian Heritage. Report on Plans and Priorities 2014-15.

Treasury Board of Canada Secretariat, Policy on Evaluation, effective April 1, 2009.

Treasury Board of Canada Secretariat, Directive on the Evaluation Function, effective April 1, 2009.

Program documents

[Canada Travelling Exhibitions Indemnification Program Application Instructions](#).

Canadian Heritage, The Economics of the Canada Travelling Exhibitions Indemnification Program, Heritage Group, December 2014.

Canadian Heritage, Canada Travelling Exhibitions Indemnification Program, Performance Measurement, Evaluation and Risk Strategy, August 2013.

Canadian Heritage, Summative Evaluation of the Canada Travelling Exhibitions Indemnification Program, February 2011.

Canadian Heritage, Summative Evaluation of the Canada Travelling Exhibitions Indemnification Program, February 2006.

Program databases

- Post-Exhibition Reports_Results 2012-2015

- Program Overview since 2000
- IndemUpdatedTally
- Facilities Tracking database
- Objects over 100Million

Program relevance: Attendance, attitudes toward art

Canada Council for the Arts. 2013 Visual Arts Facts Using CADAC Data: A Portrait of 77 Art Museums and Public Galleries in Canada, by the Research and Evaluation Section, 27 p.

Hill Strategies Research Inc. "Canadian's Arts, Culture and Heritage Activities in 2010," in *Statistical Insights on the Arts*, Vol 10, No. 2, Report funded by the Department of Canadian Heritage, the Canada Council for the Arts, and the Ontario Arts Council, February 2012, 50 p.

Hill Strategies Research Inc. "The Arts and Individual Well-Being in Canada: Connections between Cultural Activities and Health, Volunteering Satisfaction with Life, and Other Social Indicators in 2010, " In *Statistical Insights on the Arts*, Vol 11, No. 2, Report funded by the Department of Canadian Heritage, the Canada Council for the Arts, and the Ontario Arts Council, January 30, 2013, 35 p.

Phoenix Strategies Perspective Inc. *Final Report: Arts and Heritage in Canada: Access and Availability Survey 2012*, Prepared for the Department of Canadian Heritage, November 2012, 62 p.

Art market trends

Constantinidi, Mela, *Touring Contemporary Art Exhibitions: The Situation for Canada's Public Galleries and Art Museums in 2012*, for the Canada Council of Arts, Research and Evaluation Services, May 2013, 76 p.

Contemporary Art Market 2014, [The Artprice Annual Report](#), 80 p.

Hiscox, [The Hiscox Online Art Trade Report 2014](#), 30 p.

Mc Andrew, Clare, [The Global Art Market, with a focus on the US and China](#), TEFAF Art Market Report 2014.

See also Hiscox group press release: [Online art market now worth an estimated \\$1.57bn](#)

Deloitte & ArtTactic, *Art and Finance Report 2014*, 136 p.

[Some Arts Collectors Now Adding Terrorism Coverage](#), article published April 5, 2010.

[Emerging Risks to Fine Arts: Political Violence and Terrorism.](#)

EU indemnity schemes

Galambos, Henrietta, Bergevoelt, Frank, Report by the [Open method of coordination Subgroup on State Indemnity and Shared Liability Agreements](#), 69 p.

European Union. *Toolkit on Practical Ways to Reduce the Cost of Lending and Borrowing of Cultural Objects Among Member States of the Union*, Work Plan for Culture 2011-2014, September 2012, 146 p.

STUDY No. 2003-4879 Ordered by the European Commission to inventory national systems of public guarantees in 31 countries, [Réunion des musées nationaux en collaboration avec Staatliche museen zu Berlin Preussischer kulturbesitz Berlin \(Germany\)](#).

Patterson, Susana et al. (Ed.) [Encouraging Collections Mobility – A Way Forward for Museums in Europe](#), with the support of the Culture 2000 Programme of the European Union, 299 p.

Alternatives

Galambos, Henrietta, Bergevoelt, Frank, Prevention or Compensation? Alternatives to Insurance, in PATTERSON, Susana et al. (Ed.) *Encouraging Collections Mobility – A Way Forward for Museums in Europe*, with the support of the Culture 2000 Programme of the European Union, pp. 174 – 183.

Patterson, Susana, Collections mobility — Stepping forward, in Patterson, Susana et al. (Ed.) *Encouraging Collections Mobility – A Way Forward for Museums in Europe*, with the support of the Culture 2000 Programme of the European Union, pp. 152 – 160.

Nout van Woudenberg, Immunity for seizure: a legal exploration, in PATTERSON, Susana et al. (Ed.) *Encouraging Collections Mobility – A Way Forward for Museums in Europe*, with the support of the Culture 2000 Programme of the European Union, pp. 184 – 197.

Matassa, Freda, Loan fees, in Patterson, Susana et al. (Ed.) *Encouraging Collections Mobility – A Way Forward for Museums in Europe*, with the support of the Culture 2000 Programme of the European Union, pp. 203 – 214.

ZILKENS, Stephan, [State Indemnity Schemes in Europe and Art Insurance](#), presentation given at the European Registrar Conference Helsinki, June 10, 2014.

Art History News, [The Value of government indemnity schemes](#), January 21, 2013.

Fine Arts Insurance, [Low Risk, High Premiums](#).

Miscellaneous

Moulin, Raymond, “Le marché et la constitution des valeurs artistiques contemporaines”, in *Revue française de sociologie*, Vol. 27, No. 3, pp. 369-395

Patience, Kaitlyn, “Hysterical Spaces: Curatorship and Meaning in the Travelling Exhibition: A Case Study of the National Gallery of Canada’s Hysteria and the Body”, in *Queen’s Journal of Visual & Material Culture*, Issue 3, 2010, 23 p.

Soren, Barbara J. Museum experiences that change visitors, in *Museum Management and Curatorship*, p. 233-251.

[Les expositions itinérantes : guide à l’usage des gestionnaires de tournée.](#)

National indemnity schemes

United States

National Endowment for the Arts, [Art and Artifacts Indemnity Program.](#)

Indemnity application guide

Australia

[Australian Government International Exhibitions Insurance Program.](#)

Australian Government International Exhibitions Insurance (AGIEI) Program, Application for funding 2015-16.

[Australian Government International Exhibitions Insurance Program, Program Guidelines.](#)

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA, Covering your Arts. Art Indemnity in Australia. House of Representatives, Standing Committee on Communications, Transport and Arts, August 2001, Canberra.

New Zealand

[Government Indemnity of Touring Exhibitions.](#)

[Government Indemnity of Touring Exhibitions, Application Process.](#)

[Model Indemnity Agreement.](#)

TAONGA, Manatu, *Immunity from Seizure for Cultural Objects on Loan*, Ministry for Cultural Heritage, July 2012.

Great Britain

[Government Indemnity Scheme.](#)

[Government Indemnity Scheme, Guidelines for non-national institutions,](#) July 2012.

[Government Indemnity Scheme, Guidelines for national institutions](#), July 2012.

PCH: Other programs

Canadian Heritage, Museum Assistance Program. Guidelines for 2016-2017, 27 p.