



Canadian  
Heritage

Patrimoine  
canadien

Canada



## Evaluation of the Movable Cultural Property Program 2010-11 to 2014-15

Evaluation Services Directorate

March 24, 2016



*Cette publication est également disponible en français.*

This publication is available in accessible PDF format  
on the Internet at <http://www.pch.gc.ca>

© Her Majesty the Queen in Right of Canada,  
Catalogue No. CH7-34/2016E-PDF  
ISBN: 978-0-660-04785-0

# TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY .....</b>	<b>I</b>
<b>1. INTRODUCTION AND CONTEXT .....</b>	<b>1</b>
<b>2. PROGRAM PROFILE .....</b>	<b>3</b>
2.1 <i>Background .....</i>	3
2.2 <i>MCCPP Components .....</i>	3
2.3 <i>Logic Model.....</i>	6
2.4 <i>Governance and Program Management .....</i>	8
2.5 <i>Delivery Partners, Stakeholders and Target Populations.....</i>	9
2.6 <i>Program Resources .....</i>	9
<b>3. EVALUATION METHODOLOGY.....</b>	<b>11</b>
3.1 <i>Evaluation Scope, Timing and Quality Control .....</i>	11
3.2 <i>Evaluation Issues and Questions.....</i>	12
3.3 <i>Evaluation Methodology .....</i>	12
<b>4. FINDINGS – RELEVANCE .....</b>	<b>17</b>
4.1 <i>Continued Need for the Program .....</i>	17
4.2 <i>Alignment with Government Priorities.....</i>	22
4.3 <i>Alignment with Federal Roles and Responsibilities.....</i>	23
4.4 <i>Approaches Taken by Other Countries .....</i>	24
<b>5. FINDINGS – PERFORMANCE.....</b>	<b>26</b>
5.1 <i>Challenges to Assessing Performance.....</i>	26
5.2 <i>Achievement of Immediate/Intermediate Outcomes .....</i>	27
5.3 <i>Achievement of Ultimate Outcome .....</i>	48
5.4 <i>Unexpected Outcomes .....</i>	50
5.5 <i>Clarity of Roles and Responsibilities .....</i>	52
5.6 <i>Economy and Efficiency .....</i>	53
5.7 <i>Monitoring and Reporting.....</i>	56
<b>6. CONCLUSIONS AND RECOMMENDATIONS.....</b>	<b>58</b>
6.1 <i>Conclusions .....</i>	58
6.2 <i>Recommendations and Management Response.....</i>	61
<b>APPENDIX A: EVALUATION FRAMEWORK.....</b>	<b>68</b>
<b>APPENDIX B: BIBLIOGRAPHY .....</b>	<b>73</b>

## LIST OF TABLES

Table 1: MCPP Expected Outcomes .....	7
Table 2: Budgeted Delivery Costs for the MCPP, 2010-11 to 2014-15 (\$).....	10
Table 3: Estimated Foregone Tax Revenue from Donations of Cultural Property, 2010 to 2014 Calendar Years (\$ millions).....	10
Table 4: Evaluation Issues and Questions .....	13
Table 5: Relevance of the MCPP – Survey of Designated Institutions .....	18
Table 6: Relevance of the MCPP – Ratings by Type of Institution – Survey of Designated Institutions.....	19
Table 7: Number of Category “A” and “B” Designations, 2010-11 to 2013-14, 2005-06 to 2008-09 .....	28
Table 8: Level of Satisfaction with the Designation Process – Survey of Designated Institutions .....	30
Table 9: Number and Value of Applications for Certification, 2010-11 to 2013-14 and 2005-06 to 2008-09.....	31
Table 10: Number of Applications for Certification Refused/Withdrawn, 2010-11 to 2013-14 .....	32
Table 11: Rating of Certification Process – Survey of Designated Institutions.....	35
Table 12: Export Permit Applications, Appeals, and Export Delays, 2010-11 to 2013-14 and 2005-06 to 2008-09 ..	39
Table 13: Number and Value of Approved Grants, 2010-11 to 2013-14 and 2005-06 to 2008-09 .....	42
Table 14: Number of MCPP Cases Opened on Suspect Imports and Number of Returns, 2010-11 to 2013-14, and 2005-06 to 2008-09 .....	46
Table 15: Ratings of MCPP’s Contribution to Repatriating or Retaining Cultural Property in Canada – Survey of Designated Institutions .....	48
Table 16: Ratings of MCPP’s Contribution to Repatriating or Retaining Cultural Property in Canada – Survey of Designated Institutions .....	49
Table 17: MCPP Budgets and Expenditures (\$), 2010-11 to 2013-14.....	54
Table 18: MCPP Efficiency (Cost per Determination), 1999-2000 to 2013-14 .....	56

## LIST OF FIGURES

Figure 1: MCPP Governance 2010-11 to 2013-14 .....	8
Figure 2: Overall Satisfaction with the Designation Component – Survey of Designated Institutions .....	29
Figure 3: Overall Satisfaction with the Certification Component – Survey of Designated Institutions .....	34
Figure 4: Overall Satisfaction with the Grants Component – Survey of Designated Institutions.....	44

## LIST OF ACRONYMS AND ABBREVIATIONS

ATSSC	Administrative Tribunals Support Service of Canada
CBSA	Canada Border Service Agency
CCI	Canadian Conservation Institute
CCPERB	Canadian Cultural Property Export Review Board
CPEIA	<i>Cultural Property Export and Import Act</i>
CRA	Canada Revenue Agency
DPR	Departmental Performance Report
EWG	Evaluation Working Group
ESD	Evaluations Services Directorate
FTE	Full-time equivalent
G&C	Grant and contribution
GCIMS	Grants and contribution case management system
GC	Government of Canada
IPPEEC	Integrated Planning, Performance Measurement and Evaluation Committee
MCP	Movable Cultural Property Program
OS/NI	Outstanding significance and national importance
PCH	Department of Canadian Heritage
PMERS	Performance measurement, evaluation and risk strategy
PRG	Policy Research Group
RCMP	Royal Canadian Mounted Police
TBS	Treasury Board of Canada Secretariat
UNESCO	United Nations Educational, Scientific and Cultural Organization

# Executive Summary

This report presents the results of the Evaluation of the Movable Cultural Property Program (MCPP), covering the period April 1, 2010 to October 31, 2014.

## Overview of the Program

The Department of Canadian Heritage (PCH) is responsible for implementing Canada's response to the 1970 UNESCO *Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property*, which Canada ratified in 1978. The purpose of the Convention is to deter illicit traffic in cultural property worldwide.

In the years leading up to the UNESCO Convention, Canada had experienced an increasing loss of important cultural artefacts due, in part, to a lack of mechanisms to support Canadian heritage institutions to acquire culturally-significant objects. This public policy concern with the loss of important items of our national heritage and Canada's intention to join the Convention led to the coming into force of the *Cultural Property Export and Import Act* (the Act) in 1977.

The Act regulates the export of important Canadian cultural property, controls the import of international cultural property, and supports certain provisions of the *Income Tax Act* to provide tax incentives that encourage the donation or sale of important cultural property to designated Canadian institutions and public authorities<sup>1</sup>.

The Act is administered by PCH and by an independent administrative tribunal, the Canadian Cultural Property Export Review Board (CCPERB). It is delivered through the following activities which also form the components of the MCPP:

- **Designation of collecting institutions and public authorities** – Canadian institutions and public authorities that wish to acquire cultural property through donation or purchase and have it certified for income tax purposes must first be designated by the Minister of Canadian Heritage upon the recommendation of the MCPP.
- **Certification of cultural property for income tax purposes** – As provided for in sections 32 and 33 of the Act and various sections of the *Income Tax Act*, Canadian taxpayers may receive tax benefits based on fair market value for donating or selling cultural property of “outstanding significance and national importance” (OS/NI) to designated institutions and public authorities.
- **Export controls** – The purpose of export controls is to ensure that, prior to the loss of a culturally-significant object, Canadian institutions are aware of the impending loss and have the opportunity to purchase it. An individual or corporation wishing to export an object on the Canadian Cultural Property Export Control List must file an application for an export permit. The MCPP coordinates the processing by the Canada Border Services Agency (CBSA) of cultural property export permit applications. The program carries out several other related activities, including: responding to inquiries from the public, CBSA permit officers, CBSA border officers and expert examiners; interpreting the Control List

---

<sup>1</sup> “Public authorities” are essentially federal, provincial/territorial and municipal governments. In this report, the term “institutions” includes “public authorities.”

to assist exporters with the permit process; and, assessing potential illegal exports and providing support to police investigations. Denied export permit applications may be appealed to the CCPERB. It can either direct that the permit be issued or uphold its refusal and establish a delay period of two to six months to allow time for objects to be offered to Canadian institutions before they are exported. In such cases, a notice is sent by Canadian Heritage to designated institutions with the mandate for the particular type of object informing them of the availability of the object and the possibility of receiving a grant.

- **Grants** – The grants component complements export controls. Grants assist designated collecting institutions and public authorities to purchase significant cultural property when it is for sale outside of Canada or is at risk of being exported from Canada. It is normally expected that the institution will raise at least 50% of the purchase price although each case is assessed on its own merits.
- **Import controls** – Under the Act, it is illegal to import cultural property into Canada if it was illegally exported from another state that is a party to the 1970 UNESCO Convention. The MCPP works with the Canada Border Services Agency to administer import controls by seeking expertise to authenticate potential imports. The MCPP conducts administrative assessments into the potential illegal import of cultural property into Canada.

During the time period covered by the evaluation, PCH was responsible for providing administrative support to the CCPERB under section 23 (now repealed) of the Act. However, with the creation of the Administrative Tribunals Support Service of Canada (ATSSC), this responsibility was transferred to the new federal agency on November 1<sup>st</sup>, 2014.

A total of \$13.071 million was budgeted for the delivery of the MCPP over the period 2010-11 to 2014-15, an average of \$2.702 million per year

## Evaluation Approach and Methodology

The evaluation addressed the five core issues of relevance and performance as outlined in the TBS *Directive on the Evaluation Function* (2009). The evaluation also assessed the program's design and delivery. An evaluation framework was prepared by PCH's Evaluation Services Directorate which outlined the evaluation issues and questions.

The evaluation methodology featured the following lines of evidence:

- a review of departmental/program documents, files and databases;
- a literature review, including a benchmarking analysis of similar programs in other countries;
- interviews with PCH officials, representatives of designated institutions, CCPERB members and Canada Border Services Agency officials (26 interviews in total);
- online surveys of designated institutions (90 respondents out of a population of 171) and appellants of denied export permits (7 respondents out of a population of 16); and

- an assessment of economy and operational efficiency, which was conducted by reviewing program financial and operational data (for both the evaluation period and for prior years) and by asking key informants and designated institutions for feedback on the efficiency of program operations.

There were a number of limitations to the methodology: the key informants represented some but not all of the stakeholder groups; interviewees tended to focus on the certification component; the benchmarking analysis was limited to four countries; and limited performance measurement data was available.

## Findings

### Relevance

#### Continued need for the program

The evidence, including the views of key informants and the findings from the survey of designated institutions, indicates that there is a continued need for the MCPP to help preserve significant cultural property in Canada so that it is accessible by current and future generations.

The acquisitions budgets of Canadian cultural institutions have not kept up with inflation and many can only acquire objects through donations. Tax incentives for donations are seen as vital.

The survey of designated institutions found that 88% of institutions agreed that there is a continued need for the MCPP to ensure that significant cultural property is retained and/or repatriated in Canada.

Export appellants had a lower level of agreement about the continued need for the program. Their comments focused on the export controls component. Some questioned the definition of cultural property that is subject to export controls, suggesting that some items are being unnecessarily detained from export.

In addition, not only is it important for Canada to continue to support the principles of the 1970 UNESCO Convention, the country continues to meet its obligations. There is a strong ongoing rationale for continuing with our efforts to prevent the illegal international trade in movable cultural property. Furthermore, it is important for Canada to respect such international treaties.

#### Alignment with Government Priorities

Investments in arts and culture continue to be highlighted as priorities in such major government pronouncements as the Budget and *Speech from the Throne*. The 2014 Budget makes specific reference to the MCPP by noting that Canadians are encouraged to donate culturally significant property to designated institutions and public authorities to help preserve Canada's national heritage. The Government of Canada continues to demonstrate commitment both to Canada's responsibilities as signatory to the Treaty and to retaining significant cultural property in Canada.



## **Alignment with federal roles and priorities**

The MCPP is aligned with federal roles and responsibilities. As a response to fulfilling obligations arising from an international treaty, it is most appropriate for the Government of Canada to assume this role. Among the four other international signatories to the 1970 Convention that were examined, all have federal roles.

## **Approaches taken by other countries**

Australia, New Zealand, France and the United States all use a model similar to Canada to monitor compliance with obligations stemming from the Convention. The role PCH plays is assumed by equivalent departments in these countries. A slightly different model is used in the UK: Arts Council England, a non-departmental public body, does the monitoring rather than the Department of Culture, Media and Sport.

The UK, Canada, Australia, New Zealand and France have all developed export permit systems. However, in contrast to Canada where export permits are issued by the CBSA, ministries equivalent to PCH are responsible for issuing export permits in these other countries. The US has chosen a narrow approach to implementing the Convention. No objects are controlled other than some Aboriginal objects and objects of Hawaiian heritage.

In contrast to Canada, public sector support provided to heritage institutions in the other countries in the comparison is not necessarily conditional on obtaining a designation status.

## **Performance**

### **Achievement of immediate and intermediate outcomes**

*To what extent is certified cultural property donated/sold by private interests to designated collecting institutions?*

In assessing this MCPP outcome, the evaluation examined the performance of the two program components that contribute to it, designation and certification.

The program designated 30 institutions during the evaluation period, a decline from 51 during the previous evaluation period. This decline is not surprising, given a majority of institutions have already obtained designation. Institutions are generally satisfied with the ease in accessing application forms, the service provided, and the clarity of the guide and forms. They are less satisfied with the timeliness with which applications are processed, the level of effort required to submit an application and the clarity of requirements for designation.

The program has distributed a self-assessment survey to designated institutions to collect information on the extent to which they meet today's environmental standards, which have become more stringent over the decades. MCPP intends to use the information to assess the state of designation. This survey project has not yet been completed. There is a risk that some certified cultural property is currently housed in institutions that do not meet current standards.

The certification component continues to have a strong impact in building collections of significant cultural property in designated Canadian institutions. During the evaluation period an average of \$145 million in cultural property per year was certified as OS/NI by the CCPERB and tax certificates were issued to owners. Virtually all of the certified collections/objects are ultimately donated or sold to designated institutions. However, the program does not monitor how institutions are actually using the certified objects – thus no evidence is available on the extent to which objects are being displayed or being accessed/used. The survey of designated institutions found that 90% of institutions agreed that tax incentives are important to their donors' or sellers' decisions to donate or sell their cultural property.

The volume of applications for certification continues to decline. One factor may be capacity constraints within institutions as a result of ongoing funding constraints. Also, there has been a trend for institutions to combine multiple objects/collections in a single application. There may also be a general uncertainty within institutions about the nature and extent of the available tax benefits.

The program has made a concerted effort to improve program delivery in recent years. Surveyed designated institutions were favourable in their ratings of several aspects of delivery but identified burden and turnaround time as issues. Archives took particular issue with the perceived onerous requirement to fully arrange and describe archival material, including producing a finding aid, before applying for a certificate on behalf of a potential donor.

*Do designated collecting institutions have opportunities to acquire significant cultural property?*

Two components were assessed, export controls and grants. The main purpose of export controls is to ensure that, prior to the export of culturally significant objects, Canadian institutions are aware of the impending loss to the country and have the opportunity to purchase such items. A large volume of export permit requests were submitted to the CBSA and then forwarded to the PCH during the evaluation period. The procedures are well known among stakeholders. The CCPERB reviewed a relatively small number of refused export permits annually during the evaluation period: about ten per year. This volume was comparable to the previous evaluation period. Of the total number of export delays imposed by the Board (33 in total during the evaluation period), only 10 items were acquired by institutions (4 with MCPP grant assistance and 6 without). It is not possible to examine the extent to which significant cultural property is being exported by avoiding export controls. There are numerous IM/IT issues associated with export controls, including the fact that the application process has not been automated and the program uses an outdated database for information management.

MCPP grants have enabled only a few institutions to acquire cultural property that otherwise would have been exported due in part to the very small number of export delays. Both the number of approved grants and amount of grant expenditures (21 grants valued at \$2.025 million) declined by about one-half during the evaluation period compared to the previous evaluation period. The program spent only 44% of its allocated grants budget during the evaluation period. The issues with grants include challenges faced by institutions in contributing funds to make the purchase. Notwithstanding the low volume of activity, key informants along with the surveyed designated institutions believe that this component is a

success, as it enables institutions to acquire cultural property that would otherwise leave the country.

*Is cultural property being illegally imported into Canada? Is this property being returned to the country of origin?*

The number of files opened by the program on suspected illegal imports of cultural property (following referrals from the CBSA) declined substantially from the previous evaluation period, from an average of 35 per year during 2005-06 to 2008-09 to 20 during 2010-11 to 2013-14. However, virtually the same proportion (6 %) of these cases during the two periods concluded with a return of illegally-imported cultural property (a total of 5 returns during the evaluation period). Over the years, a few of these cases have garnered substantial attention in the international press.

It is not possible to determine whether the decline in the number of suspected illegal imports reflects a lower enforcement effort or fewer attempts to illegally import objects into Canada. Some key informants stated that other priorities at the border have translated into a decline in the number of suspected illegal import of cultural property cases.

*Is cultural property of outstanding significance and national importance repatriated or permanently retained in Canada?*

This intermediate outcome is intended to encompass the combined outcomes of four program activities: designation, certification, grants and export controls. It is not possible to analyze trends in the number of collections/objects repatriated or retained in Canada due to issues with definitions and lack of consistent data over time.

However, the vast majority of surveyed designated institutions, 81%, agreed that the MCPP contributes to ensuring that significant cultural property is repatriated and/or permanently retained in Canada.

Export controls (the issuance of delays on export permits) do provide opportunities for institutions to acquire culturally-significant cultural property. For a number of reasons, some beyond the control of the program, export controls (along with grants) appear to have had a limited impact on the repatriation or the permanent retention of such property in Canada.

### **Achievement of Ultimate Outcome**

*Is significant cultural property preserved by designated collecting institutions so that it may be accessible by current and future generations?*

All key informants and the vast majority of surveyed designated institutions agreed that the MCPP contributes to ensuring that significant cultural property is made accessible to current and future generations of Canadians.

However, no requirements are in place to measure (or enhance) Canadians' access to cultural properties donated through certification: either public awareness of, or the number actually exhibited (versus being stored). This issue has been raised by past evaluations.

## **Unexpected Outcomes**

*Have there been any positive or negative unexpected outcomes or impacts from the MCPP?*

The main unexpected positive impact identified by the surveyed designated institutions is that becoming designated as a collecting institution had enhanced their standing with donors and building collections, which also helped with their lobbying initiatives.

Several unexpected negative impacts were identified. Some donors have unrealistic expectation with respect to valuations and tax certifications that are causing difficulties for institutions. Some noted that the revision of expert valuations determined by independent appraisals creates uncertainty for donors and can affect the institution's reputation. Some institutions noted a loss of interest on the part of donors due to program changes and perceived burden associated with the application process. Some archives and libraries stated that they are considering discouraging certifications because the process is onerous and costly to them.

Export permit appellants whose permits were delayed but ultimately issued identified only negative impacts. Comments included a souring of relationships between institutions and donors (due to such factors as the elongated process and a belief that certain objects should not have been blocked from export).

## **Clarity of Roles and Responsibilities**

*Are the roles and responsibilities of the various co-deliverers/stakeholders clear and appropriate?*

The governance structure of the MCPP is generally similar to several other countries that are signatory to the Convention. The main difference is that in Canada, the CBSA, and not PCH, issues export permits.

The Act, and the roles and responsibilities it sets out, did not change during the period covered by the evaluation. While the Secretariat that supports the CCPERB has moved to the ATSSC as of November 1, 2014, the mandate of the Board did not change and it continues to report to the Minister.

Roles and responsibilities among the program and the main delivery partners, the CRA and the CBSA, are reported to be clear and the program has provided strong support to these federal partners.

Some key informants stated that program beneficiaries are not aware of the distinction between the MCPP and the Board.

Some PCH staff stated that the roles and responsibilities of various MCPP staff were in transition during the evaluation period, but that these issues have largely been resolved.

## **Economy and Efficiency**

*Economy: To what extent are resources minimized in the delivery of the program?*

Over the evaluation period actual MCPP expenditures were consistently well below budget: actual annual expenditures averaged \$1.885 million versus an average budget of \$2.502 million. This was largely due to lower than budgeted grant expenditures. Salary expenses were above budget each year, while O&M expenses were under budget. Program expenses (salaries and O&M) have been remarkably stable going all the way back to 1999-2000. MCPP staff indicated that there have been insufficient resources devoted to the certification process over the years, due to the considerable policy demands, the considerable work required to support the Board meetings, etc. Staff members stated that they have little time to design and implement all of the required process improvements. A restructuring of resources in July 2014 has helped to partially resolve the various HR issues. There may still be an issue of insufficient resources (note that the certification component is now the responsibility of the ATSSC). This issue would require further study.

*Efficiency: To what extent are inputs converted to outputs in an efficient fashion?*

A basic measure of operational efficiency is cost per unit of output. The annual cost per certification has increased over the years. This is due to the fact that costs have remained relatively constant while the number of certifications has declined substantially. MCPP staff explained that the process and the applications themselves have become more complex.

## **Monitoring and Reporting**

*How effective are monitoring and reporting?*

The program has developed several service standards for various aspects of the program, although there may be some gaps and standards requiring revision. Reporting on these standards is challenging due to database functionality limitations. No formal system is in place to monitor performance against these standards.

The program produces an informative annual report on the administration of the CPEIA. However, it lacks discussion of external trends and their implications for the program and it does not report on key performance indicators.

Some of the indicators have been difficult to define and implement, such as quantifying the volume of cultural property that has been certified. The program does not monitor the usage made of certified cultural property and the access to it by Canadians.

## Recommendations

The MCPP is unusual in that the structure of the program and many of its procedures are prescribed in the Act. Recognizing this constraint, the evaluation offers the following recommendations.

### Designation and Export Permits

- #1. The Assistant Deputy Minister of the Citizenship, Heritage and Regions Sector should continue its work on several MCPP process and program improvements, including:
- Replace the paper applications for export permits with a more client-friendly alternative, and study the replacement of the outdated Summa system used to manage export permit data.
  - Track the time required to analyse applications for designation over a period of two years to verify the new service standard and, if necessary, examine possible modifications to the process.
  - Informed by the survey of designated institutions, proceed with a risk-based assessment of previously-designated Category A institutions' compliance with designation criteria.

Four program components, designation, export controls, grants and import controls remain in PCH while the certification component has been transferred to the ATSSC.

Within PCH, the program faces a number of IM/IT issues. Although there are several hundred export permit applications each year, the process has not been automated. This increases the burden placed on applicants and reduces internal efficiency, and it also reduces the efficiency of the related export permit appeal process.

While institutions are generally satisfied with the designations component, they identified a number of issues, including the timeliness of the applications process.

The Program required designated institutions to complete a self-assessment type survey by June 2015 as part of their Designation Modernization Project and in response to the 2009 Audit. Using the information from the survey and a risk-based approach, the Program should proceed to an assessment of previously-designated Category A institutions' compliance with designation criteria.

### Grants

- #2. To maximise the impact of the MCPP grant component, the ADM should: first review the expenses considered eligible; and second, promote the MCPP grant component to ensure its availability is widely known.

A variety of issues affect the ability of institutions to acquire MCPP grants to help purchase significant cultural property that either is in danger of being exported or potentially could be repatriated. Yet the program historically has not spent its allocated grants budget and has surplussed an average of \$659,000 of grants per year from 2010-11 to 2013-14. The program

should determine the main factors within its control that are preventing institutions from obtaining grants and implement the required improvements.

As the Act does not proscribe criteria for awarding grants<sup>2</sup>, the program should investigate whether the current eligibility criteria for expenses are excessively restraining cultural institutions (in particular the major cultural institutions) from applying for grants to purchase significant movable cultural property abroad or at risk of being exported.

### **Communication, Grants**

# 3 The Assistant Deputy Minister, Citizenship, Heritage and Regions Sector should increase the program's outreach and communication activities aimed at;

- improving the program website;
- increasing designated institutions' knowledge about the availability and purpose of grants to support acquisitions that are either the result of an export delay or available for sale on the international market; and
- assuring regular communications with stakeholders.

The MCPP website requires attention. Basic information (e.g., export permit applications) either is not available or not easily found (e.g., guidelines for designation), and the site is difficult to navigate. These deficiencies affect stakeholder relations/communications and reduce the visibility of the program with potential donors and Canadians in general.

The program undertakes little outreach activity due to limited resources. Stakeholders called on the program to improve stakeholder relations/communications. The lack of formal mechanisms to seek feedback from stakeholders was also an observation in the 2009 Audit. Although the evaluation noted recent efforts to reach larger cultural institutions, the program would benefit by enhancing its stakeholder communications activities. One suggestion made from a large cultural institution is to establish a program advisory group that would meet periodically. The group could be composed of experts associated with the major cultural institutions.

---

<sup>2</sup> Subsection 35 "The Minister may, out of moneys appropriated by Parliament for such purposes, make grants and loans to institutions and public authorities in Canada for the purchase of objects in respect of which export permits have been refused under this Act or for the purchase of cultural property situated outside Canada that is related to the national heritage."

## Performance Measurement

- #4. In consultation with MCPP delivery partners, the Assistant Deputy Minister of the Citizenship, Heritage and Regions Sector should improve performance measurement and reporting:
- Revise the program logic model and associated narrative, making clear PCH's accountability for reporting on the Act, and the roles and accountabilities of other government departments.
  - Prepare a PMERS document, which would include a review of all key performance indicators.
  - Explore potential mechanisms for demonstrating the program's ultimate outcome pertaining to access by Canadians to certified cultural property.
  - Incorporate performance information in the annual report on the administration of the Act, based on the key performance indicators contained in the program's PMERS.

While a performance measurement strategy for the program was developed in 2011, it has never been finalized or fully implemented. The logic model needs to be reviewed and revised, and the associated narrative needs to describe the roles and responsibilities of all government organizations involved in the program, including the ATSSC. PCH would undertake this work in cooperation with its federal delivery partners.

As part of preparing the program's PMERS, the key performance indicators need to be updated and then implemented. A major gap is the absence of a formal tracking mechanism to provide Canadians with information on the extent to which culturally-significant property that has been certified is on display or is otherwise being made accessible to Canadians.

While the annual report on the administration of the Act provides some useful information on program operations, it should provide information on the program's performance in achieving its key outcomes.

## Management of partnerships to deliver on the Act

- #5 Given the Minister of Canadian Heritage's continued responsibility for all aspects of the *Canadian Cultural Export and Import Act*, the Assistant Deputy Minister of the Citizenship, Heritage and Regions Sector should insure careful management of the partnership among PCH, the ATSSC, the CCPERB and other federal delivery partners to achieve the program's objectives in the years ahead:
- Establish strong inter-organizational communications.
  - Maintain clear roles and responsibilities.

As of November 1<sup>st</sup>, 2014, the administration of the MCPP moved into a new era. Administrative support to the CCPERB now resides in a new agency, the ATSSC, which is part of the Department of Justice portfolio. The certification component continues to be highly important to designated institutions in helping them to build their collections of culturally-significant cultural property. Yet the number of applications for certification continues to decline, which is



surprising, given that heritage institutions have limited acquisitions budgets. The evaluation identified several issues that the Program should communicate to the ATSSC:

- Continue to streamline the online certification application process and address the issues that are discouraging designated institutions from applying.
- Work with the archival community to address their concerns with the current requirement for the complete arrangement and description of an archival fonds before an application for certification can be submitted, to explore whether there is a way to address their concerns while also meeting the Board's need for appropriate documentation on which to base their certification decisions.
- Work more closely with stakeholders so that their input is sought regarding ongoing program/process improvements. Regular interaction with stakeholders would enable the program to be more attuned to issues concerning the process.
- Increase the level of awareness among donors and institutions on the goals of certification, to assist designated institutions in managing donors' expectations.
- Increase the level of transparency with respect to the decisions made by the Board and the objects and collections that are certified.

# 1. Introduction and Context

This report presents the results of the Evaluation of the Movable Cultural Property Program (MCP) which covers the period April 1, 2010 to October 31, 2014.<sup>3</sup> The Department of Canadian Heritage (PCH) is responsible for implementing Canada's response to the 1970 UNESCO *Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property*, which Canada ratified in 1978. The purpose of the Convention is to deter illicit traffic in cultural property worldwide.

In the years leading up to the UNESCO Convention, Canada had experienced an increasing loss of important cultural artefacts due, in part, to a lack of mechanisms to support Canadian heritage institutions to acquire culturally-significant objects. This public policy concern with the loss of important items of our national heritage and Canada's intention to join the Convention led to the coming into force of the *Cultural Property Export and Import Act* (the Act) in 1977.

The Act regulates the export of important Canadian cultural property, controls the import of international cultural property, and supports certain provisions of the *Income Tax Act* to provide tax incentives that encourage the donation or sale of important cultural property to designated Canadian institutions and public authorities<sup>4</sup>.

The Act is administered by the MCP at PCH and by an independent administrative tribunal, the Canadian Cultural Property Export Review Board (CCPERB), through the following activities:

- **Designation of collecting institutions and public authorities** – Canadian institutions and public authorities that wish to acquire cultural property through donation or purchase and have it certified for income tax purposes must first be designated by the Minister of Canadian Heritage upon the recommendation of the MCP.
- **Certification of cultural property for income tax purposes** – As provided for in sections 32 and 33 of the Act and various sections of the *Income Tax Act*, Canadian taxpayers may receive tax benefits based on fair market value for donating or selling cultural property of “outstanding significance and national importance” (OS/NI) to designated institutions and public authorities.
- **Export controls** – The purpose of export controls is to ensure that, prior to the loss of a culturally-significant object, Canadian institutions are aware of the impending loss and have the opportunity to purchase it. An individual or corporation wishing to export an object on the Canadian Cultural Property Export Control List must file an application for an export permit. The MCP coordinates the processing by the Canada Border Services Agency (CBSA) of cultural property export permit applications. The program carries out several other related activities, including: responding to inquiries from the public, CBSA

---

<sup>3</sup> On November 1<sup>st</sup> 2014, a portion of MCP responsibilities were transferred to the Administrative Tribunals Support Service of Canada (ATSSC) within the Department of Justice portfolio, due to which the period covered by this evaluation is five months short of five years.

<sup>4</sup> “Public authorities” are essentially federal, provincial/territorial and municipal governments. In this report, the term “institutions” includes “public authorities.”

permit officers, CBSA border officers and expert examiners; interpreting the Control List to assist exporters with the permit process; and, assessing potential illegal exports and providing support to police investigations. Denied export permit applications may be appealed to the CCPERB. It can either direct that the permit be issued or uphold its refusal and establish a delay period of two to six months to allow time for objects to be offered to Canadian institutions before they are exported. In such cases, a notice is sent by Canadian Heritage to designated institutions with the mandate for the particular type of object informing them of the availability of the object and the possibility of receiving a grant.

- **Grants** – The grants component complements export controls. Grants assist designated collecting institutions and public authorities to purchase significant cultural property when it is for sale outside of Canada or is at risk of being exported from Canada. It is normally expected that the institution will raise at least 50% of the purchase price although each case is assessed on its own merits.
- **Import controls** – Under the Act, it is illegal to import cultural property into Canada if it was illegally exported from another state that is a party to the 1970 UNESCO Convention. The MCPP works with the Canada Border Services Agency to administer import controls by seeking expertise to authenticate potential imports. The MCPP conducts administrative assessments into the potential illegal import of cultural property into Canada.

During the time period covered by the evaluation, PCH was responsible for providing administrative support to the CCPERB under section 23 (now repealed) of the Act. However, with the creation of the Administrative Tribunals Support Service of Canada (ATSSC), this responsibility was transferred to the ATSSC as of November 1<sup>st</sup>, 2014. The ATSSC is a federal agency within the Department of Justice portfolio.

The evaluation was led by Evaluation Services Directorate (ESD) of PCH, with input from the department's Policy Research Group and an external consulting firm. The study involved a variety of data collection activities, including a review of relevant documents, files and databases; a literature review which focused on a comparative analysis of similar programs in other jurisdictions; interviews with key informants within PCH and the ATSSC and with external clients and stakeholders; and, two online surveys of designated institutions and export permit appellants.

## 2. Program Profile

This section briefly describes the program, objectives and expected outcomes, management and governance structure, partners, target populations and key stakeholders, and program resources.

### 2.1 Background

The Department of Canadian Heritage (PCH) is responsible for implementing Canada's obligations under the 1970 UNESCO *Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property* that Canada ratified in 1978. The purpose of the Convention is to deter illicit traffic in cultural property internationally.

The public policy concern with the loss of important items of national heritage, combined with international obligations Canada would have if it joined the Convention, led to the coming into force of the *Cultural Property Export and Import Act* (the Act) in 1977. The Act regulates the export of important cultural property, controls the import of international cultural property and supports certain provisions of the *Income Tax Act* to provide tax incentives that encourage the donation or sale of important cultural property to designated Canadian institutions and public authorities. The Act thus serves a dual purpose: it provides a basis for the protection and preservation in Canada of significant cultural property, and is a key instrument to assist Canada in fulfilling its obligations to help protect world heritage.

### 2.2 MCPP Components

The Act is implemented through five inter-related activities:

- Designation of heritage institutions and public authorities
- Certification of cultural property for income tax purposes
- Grants
- Export controls
- Import controls

#### 2.1.1 Designation of Heritage Institutions and Public Authorities

The Minister of Canadian Heritage (as delegated to the Deputy Minister) designates heritage institutions or public authorities that may apply for certification and MCPP grants (sub-sections 32 (2) and 32 (3) of the Act). Applications for designation are submitted to the MCPP which, in consultation with technical advisors at the Canadian Conservation Institute (which is a Special Operating Agency of PCH), undertakes in-depth analyses to assess the applicant's capacity to preserve specific categories of cultural property and to make them accessible to the public. Heritage institutions include museums, archives, libraries, and art galleries. Public authorities are, essentially, federal, provincial/territorial and municipal governments.

There are two categories of designation: Category "A" and Category "B". Category "A" designation is granted for an indefinite period of time and for general purposes; Category "B"

designation relates to a single proposed acquisition of specific objects or groups of objects, meaning that the institution must demonstrate its capacity to preserve these objects and make them accessible. Category “B” institutions must reapply for designation each time they wish to acquire an object and apply for a grant or for certification of an object. The MCPP will typically grant more than one “B” designation to an institution that is working towards ultimately achieving Category “A” status.

### **2.1.2 Certification of Cultural Property for Income Tax Purposes**

As provided for in sections 32 and 33 of the Act and various sections of the *Income Tax Act*, Canadian taxpayers may receive tax benefits based on fair market value for donating or selling cultural property of "outstanding significance and national importance" (OS/NI) to designated institutions. Certification is demand-driven and is based on the number of items of cultural property that individuals or corporations wish to donate or sell to designated institutions.

In order to encourage the sale or donation of significant cultural property to designated institutions, the *Income Tax Act* provides for a number of tax benefits over and above those available through regular charitable tax receipts. For instance, gifts of certified cultural property may be claimed up to 100% of net income. Moreover, such gifts are exempt from capital gains tax and the Canada Revenue Agency’s rules for deemed fair market value (unless made through a tax-shelter gifting arrangement).

The Canadian Cultural Property Export Review Board<sup>5</sup> (CCPERB) is responsible for determining whether the cultural property associated with certification applications meets the OS/NI criteria as set out in section 11 of the Act, and, if so, it must establish the fair market value for income tax purposes. The diversity of certified cultural property is immense. To assist the CCPERB in determining the fair market value, applications for certification must include substantiated monetary appraisals. Every appraisal prepared for the CCPERB must include a reasoned justification. Reasoned justifications are especially important when there is a limited or non-existent market for the property being appraised. Donors/sellers may subsequently request that the CCPERB “redetermine” the fair market value. They may also appeal the CCPERB’s redetermination to the Tax Court of Canada. In rare cases, Tax Court decisions are appealed to the Federal Court of Appeal.

During the years covered by the evaluation, the CCPERB’s work was supported by the Movable Cultural Property Directorate in PCH, and accounted for about half of its full-time equivalent (FTE) complement. As noted earlier, as of November 1<sup>st</sup>, 2014, the CCPERB is supported by the Administrative Tribunals Support Service of Canada (ATSSC).

### **2.1.3 Export Controls**

The purpose of export controls is to ensure that, prior to the export of a nationally-significant object, Canadian institutions are aware of the impending loss and have the opportunity to

---

<sup>5</sup> The CCPERB was created as an independent administrative tribunal under s.18 of the Act. It reports to Parliament through the Minister of Canadian Heritage and consists of representatives of the general public, Canadian collecting institutions and cultural property dealers/collectors.

purchase (sections 4-17 and 29-31 of the Act). An individual or corporation wishing to export an object on the Canadian Cultural Property Export Control List must submit an application for an export permit.

The export control component is demand driven, based on the decisions of exporters to export objects, the actions of Canada Border Services Agency (CBSA) permit officers to refer objects to expert examiners, and/or evidence of potential export violations. A CBSA permit officer initially reviews the permit application. If the object is on the Control List, the application is evaluated to determine whether a permit may be issued automatically (i.e., the application is for a temporary permit, the object has been in the country for less than 35 years, or the object is being returned after a loan). If the permit cannot be issued automatically, then the permit officer will send the application to one of approximately 300 expert examiners designated by the Minister of Canadian Heritage to assess whether the object meets the OS/NI criteria.

If the expert examiner determines that the object does not meet the criteria, an export permit will be issued. If the examiner indicates that the object meets the criteria, the permit will be denied and the applicant will have 30 days from the date of the issuance of the refusal notice to appeal the decision to the CCPERB. The Board reviews only those applications for permanent export permits that have been denied and for which an appeal has been requested. It can either grant the appeal and direct that the permit be issued, or uphold the refusal and establish a delay period of two to six months to allow time for objects to be offered to Canadian institutions before they can be exported. In such cases, a notice is sent to designated institutions informing them of the availability of the object and the possibility of receiving a grant from PCH (described below). Appeals of refused export permits became the responsibility of the ATSSC as of November 1<sup>st</sup>, 2014.

#### **2.1.4 Grants**

From the outset of the MCPP, grants were seen as complementary to export controls and as an important mechanism for institutions to acquire objects already outside the country (s. 35 of the Act).

Designated collecting institutions and public authorities in Canada are eligible for grants to assist in the purchase of significant cultural property when it is for sale outside of Canada or at risk of being exported from Canada. It is normally expected that the institution will make every effort to raise at least 50 % of the purchase price, however, each case is considered on its own merits. Institutions have to demonstrate need by providing information about their acquisition budgets and the amount of available funds spent or committed by the organization, and to explain the reasons for which available sufficient funds are not utilized for the purchase of the cultural property.

The MCPP reviews grant applications to ensure that they meet program criteria before making a recommendation to the Minister. To be approved for a grant, the applicant must provide satisfactory evidence that the object is related to our national heritage and the proposed purchase price is reasonable. In the case of private sales, an individual or dealer must demonstrate that the lowest possible price has been negotiated. Auction sales require that the estimated purchase price

be justified in terms of the published pre-sale estimate and any available information about sales of comparable objects.

### **2.1.5 Import Controls**

Section 37 of the Act outlines the mechanisms Canada has put in place to honour certain of its obligations under the 1970 UNESCO Convention, whose main objective is to prevent illicit trafficking of cultural property internationally. Under the Act, it is illegal to import cultural property into Canada if it was illegally exported from another state that is a party to the 1970 UNESCO Convention, if the export occurred after the Convention came into force both in Canada and in that state.

The MCPP works with the CBSA to administer import controls by identifying and authenticating imports and provides the Canadian public with information on import controls through a variety of materials (e.g., brochures, posters, on-line information).

## **2.3 Logic Model**

The draft MCPP *Performance Measurement, Evaluation and Risk Strategy* (PMERS) prepared in 2011 states that MCPP is a statutory Program that “responds to the evolving and unpredictable nature of the production and availability of cultural property. The program is a contribution to the capacity of heritage institutions in Canada to continue to attract diverse audiences with programming based on collections that are developed on an ongoing basis.”<sup>6</sup>

The program’s logic model, showing the links between MCPP activities and, immediate, intermediate and long-term outcomes, is the basis of the Evaluation Framework, attached as Appendix A. The model contains three expected immediate outcomes, two expected intermediate outcomes, and two expected ultimate outcomes, which are listed in Table 1.

The primary outputs supporting the achievement of the MCPP expected outcomes are as follows: cultural property tax certificates issued, collecting institutions designated, funds awarded, export of cultural property controlled, and assessments into possible illegal imports of cultural property.

---

<sup>6</sup> Canadian Heritage, *Movable Cultural Property Program: Performance Measurement, Evaluation and Risk Strategy* (March 2011), p. 3.

**Table 1: MCPP Expected Outcomes**

Level	Expected Outcome(s)	Rationale
Immediate outcomes	Certified cultural property is donated/sold by a private interest to a designated collecting institution	Building on other elements of the program (certification and grants), designated institutions are able to increase their collections of cultural property of “outstanding significance and national importance” (OS/NI), and facilitate the movement of cultural property from private hands to public institutions. The availability of the tax certificate encourages donors/vendors of cultural property to keep it in Canada.
	Designated collecting institutions have opportunities to acquire significant cultural property	Designated institutions acquire cultural property with the assistance of the Movable Cultural Property Grant through the grants and export controls components.
	Return procedures initiated	As a result of the efforts of CBSA with support from MCPP, illegally imported cultural property is detained and a referral is made to the Department of Justice and/or the RCMP for further civil and/or criminal action.
Intermediate outcomes	Significant cultural property of OS/NI repatriated or permanently retained in Canada	The acquisition of cultural property via certification, export controls and grants results in the repatriation or retention in Canada of cultural property of OS/NI and enables designated Canadian institutions to increase their collections.
	Cultural property illegally imported into Canada returned to country of origin	After a successful Action for Recovery, cultural property illegally imported into Canada is returned to the country of origin.
Ultimate outcomes	Significant cultural property is preserved by designated collecting institutions so that they may be accessible for current and future generations.	As a final outcome, designated institutions preserve significant cultural property, stimulating their programming and outreach activities so that it may be accessible for current and future generations.
	Canada respects its international cultural property obligations	Canada respects its international cultural property obligations by implementing export and import controls, maintaining penalties and administrative sanctions for not respecting cultural property laws by cooperating with other states to prevent illicit traffic and by recovering and returning cultural property to other States Parties to the 1970 UNESCO Convention. Collectively these outcomes demonstrate Canada’s respect for its international cultural property obligations.



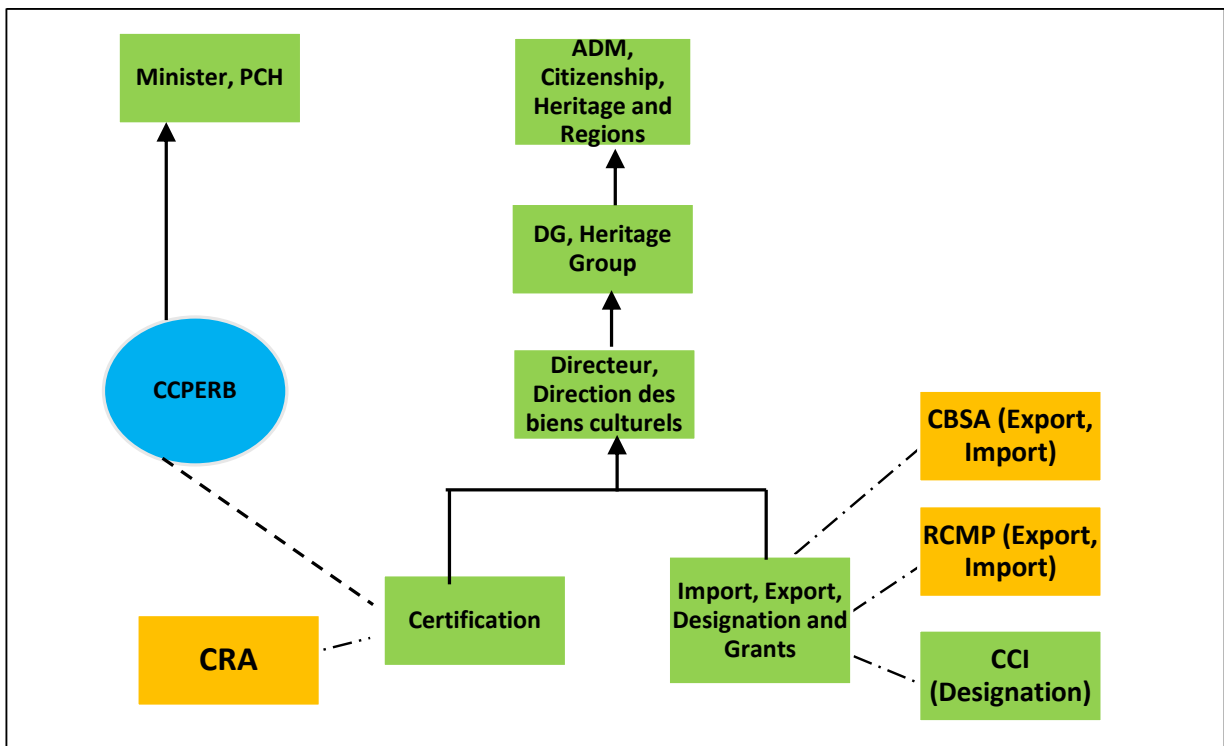
## 2.4 Governance and Program Management

The governance of the MCPP is depicted in Figure 1. As outlined above, the program is responsible for the administration of specific provisions of the Act. These responsibilities include:

- recommending designation of heritage institutions and public authorities wishing to acquire certified cultural property or to apply for grants;
- recommending grants for the purchase of cultural property;
- serving as the Secretariat to the Canadian Cultural Property Export Review Board;
- export control of cultural property; and
- undertaking international co-operation in the area of cultural property, primarily in the form of import controls, and reporting on international agreements.

During the years covered by the evaluation, the Director of the Movable Cultural Property Directorate in PCH was responsible for the ongoing collection of performance information and acted as Secretary to the Review Board. The Assistant Secretary to the Review Board was also Assistant Director of the Movable Cultural Property Program. Officers and administrative staff collected data on all aspects of the Program (designation, certification, grants, export and import), which was reported annually in the *Annual Report on the Administration of the CPEIA*. In June 2013, the Board changed the title of Secretary to the CCPERB to Director, Secretariat to the CCPERB, and the title of Assistant Secretary to the CCPERB was changed to Secretary, CCPERB.

**Figure 1: MCPP Governance 2010-11 to 2013-14**



The Act provides for CCPERB to have up to ten members appointed by the Governor-in-Council as follows:

- two members of the general public;
- up to four members who are or have been officers, members, or employees of art galleries, museums, archives, libraries, or similar institutions in Canada; and
- up to four members who are or have been dealers in or collectors of art, antiques or other objects that are important to Canada's cultural heritage.

During the time period covered by the evaluation, Directorate staff provided all administrative services to the Board and implemented all aspects of the Program. They received applications, ensured their completeness, conducted any follow-up with applicants, prepared documentation, issued tax certificates, presented briefings, made recommendations and carried out Board and departmental decisions in all matters relating to the grants, designation, certification and export and import control components.

## **2.5 Delivery Partners, Stakeholders and Target Populations**

The MCPP works with a wide range of partners and stakeholders including: Finance Canada; the Canada Revenue Agency (CRA); the Canada Border Services Agency (CBSA); Justice Canada, the Royal Canadian Mounted Police (RCMP); Foreign Affairs and International Trade Canada; other countries and UNESCO; as well as expert examiners and the Canadian Conservation Institute (which is a Special Operating Agency, Heritage Group, PCH).

The MCPP's beneficiaries include:

- Collecting institutions and public authorities which become designated under the program, acquire cultural property of OS/NI that has been certified for income tax purposes through donations or sale, and may receive grants from PCH to assist in acquiring significant cultural property that would otherwise be exported or to repatriate property already owned outside Canada.
- Individuals, businesses or institutions wishing to export objects on the Canadian Cultural Property Export Control List.
- Individuals, businesses or institutions wishing to donate cultural property to collecting institutions and public authorities for tax certification.
- Canadians who can access cultural property of outstanding significance and national importance that was previously in private hands and not available to the public.
- Foreign governments seeking to recover illicitly exported cultural property.

## **2.6 Program Resources**

A total of \$13.071 million was budgeted for the delivery of the MCPP over the period 2010-11 to 2014-15, an average of \$2.702 million per year (Table 2). (While the table includes 2014-15, the evaluation covers the first seven months of that year, as noted earlier.) These costs consist of

employee salaries and benefits, operations and maintenance (O&M) and grants. Grants are the largest component of the budget, accounting for 43% of the total estimated costs over the five-year period.

These planned delivery costs do not include the costs incurred by the MCPP federal partners (i.e., CRA, CBSA and the RCMP).

**Table 2: Budgeted Delivery Costs for the MCPP, 2010-11 to 2014-15 (\$)**

	2010-11	2011-12	2012-13	2013-14	2014-15	Total
Employee Salaries	810,000	810,000	1,008,312	954,007	984,559	<b>4,566,878</b>
Employee Benefits (20%)	162,000	162,000	201,662	190,801	196,912	<b>913,376</b>
O&M	435,567	435,567	450,567	450,567	441,181	<b>2,213,449</b>
Grants	1,163,680	1,163,680	1,163,680	1,163,680	1,163,680	<b>5,818,400</b>
<b>Total</b>	<b>2,571,247</b>	<b>2,571,247</b>	<b>2,824,221</b>	<b>2,759,055</b>	<b>2,786,332</b>	<b>13,512,103</b>

Source: Financial Management Branch, PCH.

Table 3 summarizes the estimated foregone tax revenue as a result of the non-refundable tax credit and the capital gains exemption associated with the donation of cultural property. The total of the two measures ranges from \$24 million to \$34 million annually from 2010 to 2014 (calendar years). These estimates are published annually by Department of Finance.

**Table 3: Estimated Foregone Tax Revenue from Donations of Cultural Property, 2010 to 2014 Calendar Years (\$ millions)**

	2010	2011	2012	2013	2014	Total
Charitable Donation Tax Credit	18	17	26	23	23	<b>107</b>
Non-taxation of capital gains	6	5	8	7	7	<b>33</b>
<b>Total</b>	<b>24</b>	<b>22</b>	<b>34</b>	<b>30</b>	<b>30</b>	<b>140</b>

Note: Figures for 2010 to 2012 are estimates, while figures for 2013 and 2014 are projections.

Source: Department of Finance Canada, *Tax Expenditures and Evaluations: 2014*.

## 3. Evaluation Methodology

### 3.1 Evaluation Scope, Timing and Quality Control

#### 3.1.1 Evaluation Scope and Focus

The objective of the evaluation was to provide credible and neutral information on the ongoing relevance and performance (including effectiveness, economy and efficiency) of the MCPP, covering the period from April 1, 2010 to October 31, 2014.

The evaluation responded to PCH accountability requirements for full evaluation coverage of all ongoing programs of grants and contributions, as per the *Financial Administration Act*, and the TBS policy requirement that all direct program spending be evaluated every five years. The period covered by this evaluation is five months shorter, as portions of MCPP responsibilities were transferred to ATSSC on November 1, 2014.

In an effort to conduct a quality evaluation in a cost-effective manner, the Evaluation Services Division (ESD) at PCH calibrated the scope of the study and the level of effort as follows:

- The evaluation covered all of the evaluation issues and questions pertaining to relevance and performance as per the Treasury Board *Policy on Evaluation* (2009). As with any evaluation, certain questions received more emphasis than others. For example, it was not possible to fully assess the program's achievement of its ultimate outcome pertaining to Canadians' access to preserved cultural property.
- As part of examining program delivery, there was some coverage of the various MCPP information management/information technology systems. As certification is now the responsibility of the ATSSC, an assessment was not undertaken of the GCBO case management system<sup>7</sup> used for that purpose during a portion of the evaluation period.
- The evaluation did not examine the program's policy support function.
- The work of the CCPERB was not part of the study scope, as it is an independent tribunal. However, Board members were interviewed to obtain their perspectives on the work undertaken by the Secretariat in support of the certification process.
- A benchmarking study was conducted but was limited to four countries and focused on the design and delivery of comparable programs. It relied on internet research only, i.e., no interviews were conducted within the jurisdictions.
- Within the federal government, key informant interviews included MCPP management and staff, CCPERB members and partners directly involved in program delivery (such as CBSA). Outside of the federal government, interviews were conducted with representatives of the immediate target populations (designated institutions and export

---

<sup>7</sup> The departmental Grants and Contributions Business Online (GCBO) is a case management system used for certifications. It was originally developed for film and television tax credit processing by the PCH Canadian Audiovisual Certification Office.

permit appellants). No interviews were conducted with other delivery partners/stakeholders, such as donors, appraisers, expert examiners, or importers.

### **3.1.2 Timing**

The evaluation was conducted between October 2014 and October 2015, under the direction of ESD.

### **3.1.3 Quality Control**

In order to produce an evaluation report of high quality, senior-level ESD managers provided direction in the planning of the study, including developing the Terms of Reference, which were approved by the Integrated Planning, Performance Measurement and Evaluation Committee (IPPMEC) of PCH.

Internally, the ESD team held regular meetings to ensure the overall quality of analyses upon which the evaluation report is based.

Regular meetings were held with an Evaluation Working Group (EWG), which was comprised of ESD staff and representatives of the MCPP. The EWG helped to develop the evaluation framework (i.e., the list of evaluation issues/questions and data collection methods) and ensure the accuracy and validity of findings. Preliminary findings and potential recommendations were discussed with the concerned program branch management at PCH.

## **3.2 Evaluation Issues and Questions**

The evaluation addresses the five core issues of relevance and performance as outlined in the TBS *Directive on the Evaluation Function* (2009). The evaluation also assessed the program's design and delivery.

The evaluation questions and associated indicators were selected on the basis of the contents of the MCPP logic model (contained in the draft 2011 PMERS). This evaluation framework was designed by ESD and approved by the Evaluation Working Group. The issues and questions addressed in the evaluation are outlined in Table 4, and further detailed in Appendix A.

## **3.3 Evaluation Methodology**

### **3.3.1 Preliminary Consultation**

Before undertaking the evaluation, preliminary discussions were held with MCPP management and staff. This led to the development of the *Terms of Reference* for the evaluation, which included a description of the evaluation scope and issues, the methodological approach, and the detailed evaluation matrix. The *Terms of Reference* were approved by PCH's Integrated Planning, Performance Measurement and Evaluation Committee (IPPMEC).

### 3.3.2 Lines of Evidence

The evaluation was based on a mix-method design including four qualitative or quantitative lines of evidence, whereas a mix of primary and secondary data sources fueled the triangulation. Because of the relative stability of the program over the decades, longitudinal data was analyzed for certain key measurement indicators. Evidence was first organized in technical reports (for each line of evidence) and analyzed by core issue, evaluation question and indicators.

**Table 4: Evaluation Issues and Questions**

Issues	Questions
<b>Relevance</b>	
Continued need for the program	<ul style="list-style-type: none"> <li>▪ Is there a need for the MCPP in order to ensure that significant objects are retained and repatriated/patriated?</li> <li>▪ To what extent does the MCPP continue to meet its international obligations under the 1970 UNESCO Convention?</li> </ul>
Alignment with government priorities	<ul style="list-style-type: none"> <li>▪ Is the MCPP aligned with PCH strategic priorities and federal government priorities?</li> </ul>
Consistency with federal roles and responsibilities	<ul style="list-style-type: none"> <li>▪ Is the MCPP aligned with federal roles and priorities?</li> <li>▪ How does the program compare to programs of other countries with similar legislative obligations?</li> </ul>
<b>Performance – Effectiveness</b>	
Achievement of immediate/intermediate outcomes	<ul style="list-style-type: none"> <li>▪ Are certified cultural properties donated/sold by private interests to designated collecting institutions?</li> <li>▪ To what extent do designated collecting institutions have opportunities to acquire significant cultural property?</li> <li>▪ To what extent are return procedures initiated?</li> <li>▪ To what extent is significant cultural property of OS/NI repatriated or permanently retained in Canada?</li> <li>▪ To what extent is cultural property illegally imported into Canada returned to country of origin?</li> </ul>
Achievement of ultimate outcomes	<ul style="list-style-type: none"> <li>▪ To what extent is significant cultural property preserved by designated collecting institutions so that it may be accessible for current and future generations?</li> <li>▪ Have there been any positive or negative unexpected outcomes or impacts from the MCPP?</li> </ul>
Design and delivery	<ul style="list-style-type: none"> <li>▪ Are the roles and responsibilities of the various co-deliverers/stakeholders clear and appropriate?</li> <li>▪ How effective are monitoring and reporting?</li> </ul>
<b>Performance – Efficiency and Economy</b>	
Demonstration of efficiency and economy	<ul style="list-style-type: none"> <li>▪ <b>Economy</b> – To what extent are resources minimized in the delivery of the program?</li> <li>▪ <b>Efficiency</b> – To what extent are inputs converted into outputs in an efficient fashion?</li> </ul>

The evaluation methodology featured the following lines of evidence:

- **Document, file and database review** – The document review incorporated a wide range of documents, including: key governmental and ministerial documents; MCPP documents (budgets, yearly allocations/expenditures, guidelines and forms); departmental documents (Program Alignment Architecture, *Reports on Plans and Priorities*, and *Departmental Performance Reports*); two previous MCPP evaluation reports; GC official documents (*Speeches from the Throne*, Treasury Board submissions, Budgets); administrative databases and files<sup>8</sup>, as well as Government of Canada (GC) websites/publications and media articles. Appendix C lists the documents examined over the course of the evaluation.
- **Literature review** – A literature review was conducted by the Policy Research Group (PRG) at PCH and a technical report was produced. Research topics were identified based on the evaluation questions in the Terms of Reference. A variety of sources were reviewed, including academic publications, government and non-governmental research reports, and websites. The literature review technical report includes a benchmarking analysis of programs similar to the MCPP delivered in other countries. A bibliography is provided in Appendix B.
- **Key informant interviews** – Interviews were conducted between February and March 2015. Interviews gathered in-depth information, including opinions, explanations, examples and factual information on evaluation questions. Key informants were selected on the basis of their involvement, knowledge and experience with the program. Interview guides were adapted to each type of key informant. A total of 26 semi-structured interviews were conducted with representatives of the following groups:
  - PCH officials (n=10)
  - Representatives of seven designated institutions (n=10)
  - CCPERB members (n=3)
  - CBSA permit officers and officials (n=3)
- **Surveys of designated institutions and appellants of denied export permits** – A total of 171 survey invitations were sent to designated institutions, 130 English-language and 41 French-language. In all, 90 responded: 72 English-language and 18 French-language, for a response rate of 53%. This response rate is above average compared to other similar surveys carried out as part of PCH evaluations in recent years. Respondents were asked to provide feedback on questions pertaining to MCPP relevance, performance and program design and delivery. Of the three types of program activities covered by the survey (certification, designation and grants), 79 respondents (90%) said they applied for certification, 18 (20%) applied for designation and 7 (8%) respondents applied for a grant. A total of 16 survey invitations were sent to appellants of denied export permits, 14

---

<sup>8</sup> Included were financial files, project files, databases and other internal/external information systems created to support management in the ongoing administrative support and performance measurement of activities. Documentation on the Summa database system was reviewed by this line of evidence.

English-language and 2 French-language. In all, eight responded, seven in English and one in French.<sup>9</sup>

- **Assessment of economy and efficiency** – In order to assess the efficiency and economy of a program it is necessary to determine if the program is undertaking activities, producing outputs and generating outcomes in the best possible manner. The assessment of economy concerns the extent to which best use is made of resource inputs to achieve intended outcomes while the analysis of efficiency requires assessing relationships between inputs and outputs as well as outcomes. For the evaluation of MCPP, it was decided to focus on an assessment of economy and operational efficiency. A third concept, allocative efficiency (sometimes called value for money) was outside the scope of the evaluation. Economy and operational efficiency were assessed by reviewing program financial and operational data and by asking key informants and designated institutions for feedback on the efficiency of program operations.

### 3.3.3 Methodological Limitations

While the methodology offered a number of strengths, including a multiple data collection methods, both qualitative and quantitative, and a mix of primary and secondary data sources, there were some limitations. The main limitations were the following:

- **Key informant interviews represented some but not all stakeholder groups** – This reflects the calibration process (discussed above). No interviews were conducted with representatives of: Department of Finance, RCMP, appraisers, donors, expert examiners, and importers. However, the online survey of designated institutions did obtain perspectives on the views held by donors.
- **Key informants focused on the certification component** – This was expected, given this component has the highest profile and is of interest to a broad range of stakeholders. Consequently there was uneven coverage of the program's five components by key informants. This was mitigated to a significant extent by covering the other components through the two online surveys.
- **Benchmarking analysis was limited to four countries** – The benchmarking study was limited to comparable programs in four other countries that are signatories to the UNESCO Convention: three with similar legislative frameworks to Canada (France, Great Britain and Australia), and the other, the United States, with a different approach. Data collection relied on Internet research only (no interviews were conducted). Little information was available on the performance of the comparable programs.
- **Limited performance measurement data was available** – The program does not have an approved PMERS. A draft was prepared in 2011 which, although never approved, includes some measures that are used by the program to report in the annual DPR and the annual report on the administration of the Act. The annual report on the Act provides data on program outputs (e.g., number of applications for certification and their fair market value, number of grants, a list of institutions receiving designation, etc.). No data was

---

<sup>9</sup>There were actually nine responses: one respondent indicated not having filed an appeal and thus this response was not retained for analysis.



available on performance against service standards (although there is no evidence to suggest that they are not being met).

## 4. Findings – Relevance

This section presents the key evaluation findings related to the issue of program relevance. The specific questions are presented in Table 4 in the previous section.

### 4.1 Continued Need for the Program

The rationale for the introduction of the MCPP in the late 1970s had two main elements. First, the program was intended to address the need to preserve significant examples of our cultural property in Canada. The second was to allow Canada to join the 1970 Convention and to fulfill our obligations to prevent or deter the illicit importation of cultural property. These two aspects of the continued need for the program are analyzed in turn below.

#### Is there a need for the MCPP in order to ensure that significant objects are retained and repatriated/patriated?

##### Summary of key findings

The evidence, including the views of key informants and the findings from the survey of designated institutions, indicates that there is a continued need for the MCPP to help preserve significant cultural property in Canada so that it is accessible by current and future generations.

The acquisitions budgets of Canadian cultural institutions have not kept up with inflation and many can only acquire objects through donations. Tax incentives for donations are seen as vital.

The survey of designated institutions found that 88% of institutions agreed that there is a continued need for the MCPP to ensure that significant cultural property is retained and/or repatriated in Canada.

Export appellants had a lower level of agreement about the continued need for the program. Their comments focused on the export controls component. Some questioned the definition of cultural property that is subject to export controls, suggesting that some items are being unnecessarily detained from export.

The program has nearly completed implementing a recommendation from the previous 2010 evaluation to review the value limits established by the *Canadian Cultural Property Export Control List*.

Key informant interviews within PCH as well as among external stakeholders revealed a consensus on the continued need for the federal government to support the preservation of significant examples of our cultural heritage in Canada. Some PCH staff noted the significant decline in the budgets of heritage and art institutions, and greater pressure on them to prioritize fundraising at the expense of developing research and enhancing collections. They reaffirmed a finding of the previous MCPP evaluation in 2010 that the acquisition budgets of Canadian cultural institutions had not kept up with inflation and many could only acquire objects through donations. Tax incentives for donations in particular were seen as vital.<sup>10</sup>

<sup>10</sup> Canadian Heritage, *Summative Evaluation of the Movable Cultural Property Program*, January 2010, p. 22.

A few PCH key informants noted that the interest in charitable donations among donors and institutions has been accompanied by an increase in tax shelter gifting arrangements during the evaluation period. MCPP staff have responded by collaborating with Department of Finance, and changes were made in June 2014 to the *Income Tax Act* to address past issues.<sup>11</sup>

The views of key informants regarding the importance of the MCPP are supported by the findings of the survey of designated institutions. Responding using a 1 to 5 agreement scale, 88% of designated institutions agreed or strongly agreed that there is a continued need for the MCPP to ensure that cultural property of outstanding significance and national importance is retained in and/or repatriated to Canada – an average rating of 4.4 out of 5 (Table 5). The same proportion agreed or strongly agreed that there is a continued need for the federal government to support the preservation of significant examples of Canadian cultural heritage (with the same average rating as for the first item). A lower percentage of institutions, 61%, agreed or strongly agreed that the MCPP responds adequately to the need for preserving significant cultural property in Canada (average rating of 3.5).

**Table 5: Relevance of the MCPP – Survey of Designated Institutions**

<i>Using a scale of 1 to 5, where 1 is “strongly disagree”, 3 is neutral and 5 is “strongly agree”, please rate the following statements:</i>								
<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>	<b>n</b>	<b>Rating Average</b>
There is a continued need for the MCPP to ensure that cultural property that is of outstanding significance and national importance is retained and/or repatriated in Canada.	13%	0%	0%	10%	77%	100%	88	4.4
There is a continued need for the federal government to support the preservation of significant examples of our cultural heritage in Canada.	13%	0%	0%	6%	82%	100%	88	4.4
MCPP responds adequately to the need for preserving significant cultural property in Canada.	10%	17%	12%	36%	25%	100%	81	3.5

Comparing the different types of institutions, museums are slightly less supportive of the continued need for the MCPP and the government’s role in supporting the preservation of cultural property, while archives, followed by museums, are the least supportive of the view that the MCPP responds adequately to the need for preserving Canadian cultural property (see Table 6).

<sup>11</sup> Tax shelter gifting arrangements are complex transactions involving a promoter who sells a tax benefit to investors. Investors are promised tax relief that will significantly exceed their actual out-of-pocket cost to acquire the property. As a result, what is intended to be a tax benefit for a charitable donation becomes a profit-making venture. Effective February 11, 2014, Bill C-31 amended the *Income Tax Act* to limit the tax benefits available for donations of certified cultural property acquired through a tax-shelter gifting arrangement.

**Table 6: Relevance of the MCPP – Ratings by Type of Institution – Survey of Designated Institutions**

Statements	Average Rating (1 to 5 agreement scale, “1” is “strongly disagree” and “5” is “strongly agree”)				
	Museum	Archive	Library	Art Gallery	All Institutions
There is a continued need for the MCPP to ensure that cultural property that is of outstanding significance and national importance is retained and/or repatriated in Canada.	4.0	4.5	4.3	4.4	4.4
There is a continued need for the federal government to support the preservation of significant examples of our cultural heritage in Canada.	4.0	4.6	4.5	4.5	4.4
MCPP responds adequately to the need for preserving significant cultural property in Canada.	3.0	2.8	3.2	3.3	3.5

The findings of the survey of appellants of denied export permits reveal that that they have a lower level of agreement about the continued need for the program. Three of the eight survey respondents disagreed there is a need as measured by their responses to the same three statements posed to designated institutions (listed in Table 6). Note that seven of the eight respondents to the survey ultimately had their export permit issued and their cultural property was exported. One respondent provided a detailed comment that questioned the need for export controls, arguing that in many cases the natural market for Canadian cultural property is Canada. The respondent stated that even when Canadian cultural objects are for sale on the international market, they will eventually find their way back to Canada, as the only buyers will tend to be Canadian. An example given by this respondent is the recent (April 2015) sale of the estate of Peter Winkworth, who was a London-born, Canada-raised collector of Canadian artifacts from the 18<sup>th</sup> and 19<sup>th</sup> centuries. Further research revealed that a total of 326 lots were up for sale at a Christie’s auction held in London in April 2015. Total sales were \$6.54 million, well above the pre-auction estimate.<sup>12</sup> Many of the buyers were from Canada. Library and Archives Canada purchased 8 lots for just under \$183,000 (including a large oil of a fish hatchery in New Brunswick which sold for \$46,750), which was partially supported by a MCPP grant.<sup>13</sup> The Canadian History Museum bid on 13 lots and spent nearly \$355,000, including a large watercolour tableau by Captain John Hewett depicting a winter-time meeting of military officers mid-way between Fredericton and Saint John (circa 1824). The National Gallery of Canada purchased *Bonsecours Market, Montreal* (1880) for \$410,000. The first-ever eyewitness sketch of Niagara Falls entitled *An East View of The Great Cataract of Niagara* by British soldier Thomas Davies was sold to an anonymous overseas buyer.<sup>14</sup> The most anticipated item of the auction, Cornelius Kreighoff’s 1856 *Quebec*

<sup>12</sup> <http://www.christies.com/about/press-center/releases/pressrelease.aspx?pressreleaseid=7818>

<sup>13</sup> <http://www.marketwired.com/press-release/winkworth-major-documentary-art-acquisition-by-library-and-archives-canada-2006411.htm>

<sup>14</sup> In August 2015 the independent Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest blocked the export of this painting from the UK.

*Farm*, sold for \$364,000, more than double its expected price, to an anonymous foreign buyer.<sup>15</sup> Two 19<sup>th</sup> century oil paintings of Mi'kmaq hunting Canadian geese were the big earners at the auction, selling for just over \$992,000 to an anonymous Canadian.<sup>16</sup>

Other comments from the survey of appellants of denied export permits questioned the definition of cultural property, suggesting that some items are being unnecessarily detained from export:

- *“If MCPP continues to expend resources to retain works, it should take greater care in defining cultural properties of outstanding significance and national importance. The item refused export that prompted you to contact me should never have qualified for application to export.”*
- *“I agree for the most part, but just not necessarily with their definition of outstanding significance. I felt the export regulation should not have applied to my items as they were more of a commodity, i.e., a few stone samples out of many hundreds readily available on the open market.”*
- *“The limit for mineral specimens remains at \$2,000.00 for an individual piece when in reality it should be \$20,000.00 -- the world has changed since 1978!”*

Further to the third comment pertaining to the value limits established by the *Canadian Cultural Property Export Control List*, the second recommendation of the 2010 evaluation was that these limits should be reviewed. The departmental follow-up reports to this recommendation from 2011 to 2014 show that the program agreed that this tool was essential, but the required resources to update these regulations were not available. The continuing need to update this regulation was recognized when the Department funded the required research in late 2014-15.

## **Does Canada continue to meet its international obligations under the 1970 UNESCO Convention?**

### **Summary of key findings**

The evaluation evidence indicates that not only is it important for Canada to continue to support the principles of the 1970 UNESCO *Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property*, the country continues to meet its obligations. There is a strong ongoing rationale for continuing with our efforts to prevent the illegal international trade in movable cultural property. Furthermore, it is important for Canada to respect such international treaties.

The illicit trade in movable cultural property internationally continues to escalate. In reflecting on the past and future of the Convention, UNESCO reported in 2013 that the black market of antiquities and culture constituted one of the most persistent illegal trades in the world, with an

<sup>15</sup> <http://www.theglobeandmail.com/arts/art-and-architecture/paintings-netting-nearly-1-million-set-new-benchmark-in-canadian-art-sales/article23757063/>

<sup>16</sup> <http://arteconomist.com/?p=8196>

estimated value in the billions of dollars, “with an increase of 50% in a decade and an unprecedented growth of offer on the Internet.”<sup>17</sup>

Multiple factors – occupation, raids, corruption and theft, organized crime networks – have combined to fuel the growth in illicit trade. The looting of the Baghdad Museum in 2003 was the most recent example of an event which focused public opinion on the issue of illicit trade of cultural property in times of crisis. There are numerous subsequent examples, including the civil uprising in Egypt, the armed conflict in Mali and the Syrian war. One key informant referred to the looting of historical sites in areas affected by armed conflicts (artefacts are used to fund arms buying) as follows: “*War is bad for cultural artefacts and good for people who want to engage in illicit traffic*”.

A significant development in recent years has been a pronounced effort by affected nations to retrieve their cultural heritage, which has had repercussions on the international museum community. As countries such as Cambodia and other war-torn nations have come to recognize that large portions of their cultural heritage have been lost to looters and disreputable art dealers, they have begun to publicize these losses in a concerted effort to repatriate their antiquities. Moreover, there has been a shift in public opinion: collecting institutions can now be seen as being unduly possessive of cultural goods which they hold no rights.<sup>18</sup> Internationally, major museums, facing negative public opinion and recognizing their role in protecting cultural heritage, have changed their internal policies pertaining to provenance. Museums are now more alert to probing where certain objects come from.<sup>19</sup>

The *Cultural Property Export and Import Act* is Canada’s main mechanism for implementing its obligations under the Convention. The Act continues in force. Canada has a continuing obligation to respect international treaties. Key informants emphasized that to withdraw from the Convention would be detrimental to Canada’s reputation and international goodwill. It is important for Canada to be seen as trying to prevent illicit traffic in cultural property.

The *Cultural Property Export and Import Act (CPEIA) Annual Reports* published by PCH provide evidence that Canada continues to meet its obligations under the Act. A total of 18 returns of illegally-imported cultural property have been made to foreign countries over the years, with 5 taking place during the evaluation period. Most spectacularly, a 2011-12 joint effort involving the Department, the RCMP and the Canada Border Services Agency resulted in the return of 21,000 coins, pieces of jewelry and other objects to the Republic of Bulgaria. This and several other high-profile restitution cases from around the world are profiled on the UNESCO website dealing with illicit trafficking of cultural property.<sup>20</sup>

---

<sup>17</sup> UNESCO, *The Fight Against the Illicit Trafficking of Cultural Objects, the 1970 Convention: Past and Present*, <[http://www.unesco.org/new/fileadmin/MULTIMEDIA/HQ/CLT/pdf/2013\\_INFOKIT\\_1970\\_EN.pdf](http://www.unesco.org/new/fileadmin/MULTIMEDIA/HQ/CLT/pdf/2013_INFOKIT_1970_EN.pdf)>

<sup>18</sup> Seiff, Abby, “How countries are successfully using the law to get looted cultural treasures back”, *ABA Journal*, July 1, 2014, <[http://www.abajournal.com/magazine/article/how\\_countries\\_are\\_successfully\\_using\\_the\\_law\\_to\\_get\\_looted\\_cultural\\_treasur](http://www.abajournal.com/magazine/article/how_countries_are_successfully_using_the_law_to_get_looted_cultural_treasur)>

<sup>19</sup> Ibid.

<sup>20</sup> <http://www.unesco.org/new/en/culture/themes/illicit-trafficking-of-cultural-property/recent-restitution-cases-of-cultural-objects-using-the-1970-convention/>

The literature indicates that Canada is seen as “actively” applying the Convention. Two reports prepared for participants at a 2012 meeting of states party to the Convention provide evidence of the positive perception of Canada’s role in applying the Convention. In a report on sanctions applied by states parties to the Convention, mention is made of Canada as a “state actively applying the provisions of the 1970 Convention.” An expert report on the United States and Canada notes that the number of interventions by Canada in the implementation of the 1970 Convention has increased over time.<sup>21</sup>

## 4.2 Alignment with Government Priorities

### Is the MCPP aligned with PCH strategic priorities and federal government priorities?

#### Summary of key findings

Investments in arts and culture continue to be highlighted as priorities in such major government pronouncements as the Budget and *Speech from the Throne*. The 2014 Budget makes specific reference to the MCPP by noting that Canadians are encouraged to donate culturally significant property to designated institutions and public authorities to help preserve Canada’s national heritage.

The MCPP continues to be aligned with PCH strategic outcomes and with the Program Alignment Architecture. The MCPP appears as a sub-program under the Heritage Program, one of three programs in support of Strategic Outcome 1: “Canadian artistic expressions and cultural content are created and expressed at home and abroad.”

The PCH Strategic Outcome 1, in turn, is aligned with the Government of Canada Social Affairs spending areas and its outcome: “A vibrant Canadian culture and heritage.”

In summary, the Government of Canada continues to demonstrate commitment both to Canada’s responsibilities as signatory to the Treaty and to retaining significant cultural property in Canada.

### 4.2.1 Alignment with PCH Priorities and Strategic Outcomes

The MCPP continues to be aligned with PCH strategic outcomes and with the Program Alignment Architecture (PAA) that was in place during the time period covered by the evaluation. The MCPP appears as a sub-program under the Heritage Program, one of three programs in support of Strategic Outcome 1: “Canadian artistic expressions and cultural content are created and expressed at home and abroad.”

As stated in the PCH 2013-14 *Report on Plans and Priorities* (RPP), the Heritage Program “ensures that Canada's cultural heritage is preserved and accessible to Canadians today and in the future. It enables the heritage sector to improve professional knowledge, skills and practices, to preserve and present heritage collections and objects, and to create and circulate exhibitions and

<sup>21</sup> Lyndel V. Prott, *Strengths and Weaknesses of the 1970 Convention: An Evaluation 40 Years After Its Adoption*. Background Paper for Participants in the *Second Meeting of States Parties to the 1970 Convention*, Paris, UNESCO Headquarters, 20-21 June 2012.; Patty Gerstenblith, *United States of America and Canada*, Export Report for participants in the *Second Meeting of States Parties to the 1970 Convention*. Paris, UNESCO Headquarters, 20-21 June 2012.



other forms of heritage content. (...) The primary goal of this Program is to promote the preservation and presentation of Canada’s cultural heritage.”<sup>22</sup>

#### 4.2.2 Alignment with Government of Canada Priorities

PCH’s Strategic Outcome 1, in turn, fits within the Government of Canada Social Affairs spending area and its outcome: “A vibrant Canadian culture and heritage.”<sup>23</sup>

The evaluation affirms the finding of the previous 2010 evaluation that the MCPP directly supports PCH priorities. “By encouraging the movement of cultural objects from the private to the public domain and to remain in Canada, access to them is improved for both Canadians and visitors to this country. This directly supports the conservation of objects that articulate the Canadian identity by illustrating the diversity of Canadians and our history.”<sup>24</sup>

Investment in the cultural sector and improving Canadians’ access to the arts and cultural activities are highlighted in such government pronouncements as the 2014 Budget and the *Speech from the Throne*. The 2014 Budget makes specific reference to the MCPP by noting that Canadians are encouraged to donate culturally significant property to designated institutions and public authorities to help preserve Canada’s heritage.<sup>25</sup>

#### 4.3 Alignment with Federal Roles and Responsibilities

##### Is the MCPP aligned with federal roles and priorities?

###### Summary of key findings

As a response to fulfilling obligations rising from an international treaty, it is most appropriate for the Government of Canada to assume this role. Among the four other international signatories to the 1970 Convention that were examined, all have federal roles.

As long as the Act is in force, Canada has a legislated obligation to continue with the MCPP. As both the Act and the MCPP were established to respond to an international commitment, federal accountability is most appropriate.

The benchmarking analysis of comparable programs in other countries revealed that fulfilling obligations under the 1970 *Convention* is assigned to federal departments by France, Australia, New Zealand and the United States, with police and border security having complementary roles in many European cases. The other country examined, the U.K., is slightly different: a centrally-funded “non-departmental public body,” Arts Council England, is responsible. Further details are provided in the next section.

<sup>22</sup> Department of Canadian Heritage, *Report on Plans and Priorities 2013-14*, p. 51.

<sup>23</sup> Department of Canadian Heritage, *Departmental Performance Report 2013-14*, p. 17.

<sup>24</sup> *Summative Evaluation of the Movable Cultural Property Program*, January 2010, p. 26.

<sup>25</sup> <http://www.budget.gc.ca/2014/docs/plan/pdf/budget2014-eng.pdf>, p. 333-4.



## 4.4 Approaches Taken by Other Countries

### How does the program compare to programs of other countries with similar legislative obligations?

#### Summary of key findings

A literature review was undertaken that compared Canada's approach to fulfilling the obligations of the 1970 UNESCO Convention to the approaches taken by four countries with similar legal systems (United Kingdom, Australia, New Zealand and France) as well as the United States, which has a much more limited approach to the protection of cultural property.

Australia, New Zealand, France and the United States all use a model similar to Canada to monitor compliance with obligations stemming from the Convention. The role PCH plays is assumed by equivalent departments in these countries. A slightly different model is used in the UK: Arts Council England, a non-departmental public body, does the monitoring rather than the Department of Culture, Media and Sport.

The UK, Canada, Australia, New Zealand and France have all developed export permit systems. However, in contrast to Canada where export permits are issued by the CBSA, ministries equivalent to PCH are responsible for issuing export permits in these other countries. The US has chosen a narrow approach to implementing the Convention. No objects are controlled other than some Aboriginal objects and objects of Hawaiian heritage.

In contrast to Canada, public sector support provided to heritage institutions in the other countries in the comparison is not necessarily conditional on obtaining a designation status.

As described in the introduction, a comparative analysis was undertaken of how other countries have fulfilled the obligations of the 1970 UNESCO Convention. Four countries with similar legal systems to Canada were selected for the comparison: the United Kingdom, Australia, New Zealand and France. The United States was also included as it has a much more limited approach.

The main findings from the comparative analysis are as follows:

- **Responsibility for protection of movable cultural property:** Australia, France and the US situate the responsibility to fulfil their 1970 UNESCO Convention obligations in federal departments; the United Kingdom differs slightly. In the UK, Arts Council England, a “non-departmental public body” (with some similarities to the Canada Council for the Arts) has this responsibility rather than the equivalent department to PCH, which would be the Department of Culture, Media and Sport.
- **Export control:** The UK, Australia, New Zealand and France have each developed an export permit system. The criteria used in Australia and New Zealand are based on the recommendations of the Waverly report prepared in the UK. In contrast to the Canadian system where export permits come under the jurisdiction of the CBSA, in these other countries ministries equivalent to PCH are responsible for issuing export permits. The US model is quite different as this country uses federal and state legislation governing the protection of Aboriginal and Hawaiian heritage to prevent the unwanted export of cultural property of national significance. American legislation does not specifically exclude the exportation of cultural property. Also, the US requires a bilateral agreement with other

countries to implement the UNESCO Convention. Canada's bilateral agreement with the US expired in 2002 and has not been renewed.

- **Public support measures and designations:** In contrast to Canada, a designation is not necessarily essential for a cultural institution to be eligible for public support measures (grants, certifications) in other countries.

Designated cultural institutions interested in purchasing movable cultural property ("objects of cultural interest") that has been denied an export permit can seek a grant from the National Heritage Memorial Fund or Heritage Lottery Fund in the U.K. Total funding for acquisitions from these major funding bodies was just under £23 million in 2013-14. Arts Council England runs an "Acceptance in lieu" scheme to reduce inheritance tax which allows the transfer of important works of art and other heritage objects to the state, who subsequently allocate it to a cultural institution. Between 2010 and 2013, an average of 28 objects a year were acquired through this scheme.

Australian cultural institutions, including "Aboriginal or Torres Strait Islander keeping place for sacred/secret material" are eligible to apply to the National Cultural Heritage Account to acquire objects declared of importance by a CPPERB-like board. Annually \$500,000 is made available in grants to cultural institutions, which are not designated. Donors under the Australian program are eligible for benefits similar to those in Canada: the market value of the gift is fully tax deductible and the gift is exempt from capital gains tax.

In France, tax credits are offered to institutions, not to individual donors. These incentives encourage corporations to become partners in the conservation of French heritage insofar as they are compensated for donating cultural properties to the state or a public institution or for lending cultural properties to a national museum for a minimum of ten years during which time the property cannot be sold.

In Canada, a major reason cultural institutions seek designation is in order to apply to the CCPEB for the certification of donations of movable cultural property, allowing donors to receive a capital gains exemption. Tax credits were originally judged to be more efficient than grants in supporting the goals of the Act, however, despite being considered by the Department of Finance in 2005, a cost-effectiveness study of the capital gains tax credit has never been undertaken.

## **5. Findings – Performance**

This chapter presents the evaluation findings related to the evaluation issue of performance, which has two aspects: effectiveness (achievement of expected outcomes) and efficiency and economy. Before presenting the main findings, the section begins with a description of some of the challenges affecting the assessment of performance.

### **5.1 Challenges to Assessing Performance**

The evaluation faced a number of challenges in attempting to assess the effectiveness of the MCPP, i.e. its level of success in achieving its various intended outcomes.

First, the MCPP is essentially a reactive program. In promoting the preservation of significant cultural property, the federal government designed a carefully thought-out framework of interconnected activities that together encourage Canadians to donate cultural property to designated cultural institutions and support institutions in acquiring it. How much of this happens each year is largely dependent on owners wanting to dispose of their cultural property and designated institutions having the capacity to acquire it, and then to properly preserve, care for and display the important cultural artifacts that they have obtained.

Second, the success of the program is not entirely within its control. The MCPP is dependent on the efforts of the various federal delivery partners, including the CCPERB, the Canadian Conservation Institute, the CBSA and the RCMP.

Third, measurement of some the program's outcomes was challenging. For example, the program's ultimate outcome pertains to Canadians' access to preserved cultural property. The program does not monitor the extent to which institutions make use of preserved cultural property. Similarly, assessing Canada's efforts at preventing the illegal import of cultural property cannot be fully assessed. Given there are no statistics on illegal imports, it is difficult to assess the program's efforts without this broader picture of the extent of the issue.

## 5.2 Achievement of Immediate/Intermediate Outcomes

### To what extent is certified cultural property donated/sold by private interests to designated collecting institutions?

#### Summary of key findings

In assessing this MCPP outcome, the evaluation examined the performance of the two program components that contribute to it, designation and certification.

The program designated 30 institutions during the evaluation period, a decline from 51 during the previous evaluation period. This decline is not surprising, given a majority of institutions have already obtained designation. Institutions are generally satisfied with the ease in accessing application forms, the service provided, and the clarity of the guide and forms. They are less satisfied with the timeliness with which applications are processed, the level of effort required to submit an application and the clarity of requirements for designation.

The program has distributed a self-assessment type survey to designated institutions to collect information on the extent to which they meet today's environmental standards, which have become more stringent over the decades. MCPP intends to use the information to assess the state of designation. This survey project has not yet been completed. There is a risk that some certified cultural property is currently housed in institutions that do not meet current standards.

The certification component continues to have a strong impact in building collections of significant cultural property in designated Canadian institutions. During the evaluation period an average of \$145 million in cultural property per year was certified as OS/NI by the CCPERB and tax certificates were issued to owners. Virtually all of the certified collections/objects are ultimately donated or sold to designated institutions. However, the program does not monitor how institutions are actually using the certified objects – thus no evidence is available on the extent to which objects are being displayed or being accessed/used. The survey of designated institutions found that 90% of institutions agreed that tax incentives are important to their donors' or sellers' decisions to donate or sell their cultural property.

The volume of applications for certification continues to decline. Several factors are likely at play. One issue may be capacity constraints within institutions as a result of ongoing funding constraints. Also, there has been a trend for institutions to combine multiple objects/collections in a single application. There may also be a general uncertainty within institutions about the nature and extent of the available tax benefits. The program has made a concerted effort to improve program delivery in recent years. Surveyed designated institutions were favourable in their ratings of several aspects of delivery but identified burden and turnaround time as issues. Archives took particular issue with the perceived onerous requirement to fully arrange and describe archival material, including producing a finding aid, before applying for a certificate on behalf of a potential donor.

This evaluation question concerns the impacts of the MCPP in encouraging Canadians to donate significant cultural property to designated collecting institutions. Two of the program's components contribute to this outcome: designation and certification.

## 5.2.1 Designation of Institutions

### *Most institutions interested in designation have obtained it*

As shown in Table 7, 30 category “A” and “B” institutions were designated between 2010-11 and 2013-14 out of a total of 39 which made applications. No service standards exist for the lapse between applying and obtaining designation, which appears to be between 12 and 18 months. This represents a decrease of 12 (24%) from the previous evaluation period, when the program designated a total of 51 of “A” and “B” institutions.

**Table 7: Number of Category “A” and “B” Designations, 2010-11 to 2013-14, 2005-06 to 2008-09**

Type of Designation	2010-11	2011-12	2012-13	2013-14	Total 2010-11 to 2013-14	Total 2005-06 to 2008-09
Category “A”	1	1	1	2	5	12
Category “B”	10	3	6	6	25	39
Total “A” and “B” designations	11	4	7	8	30	51
Total “A” and “B” designation applications	15	8	11	5	39	NA

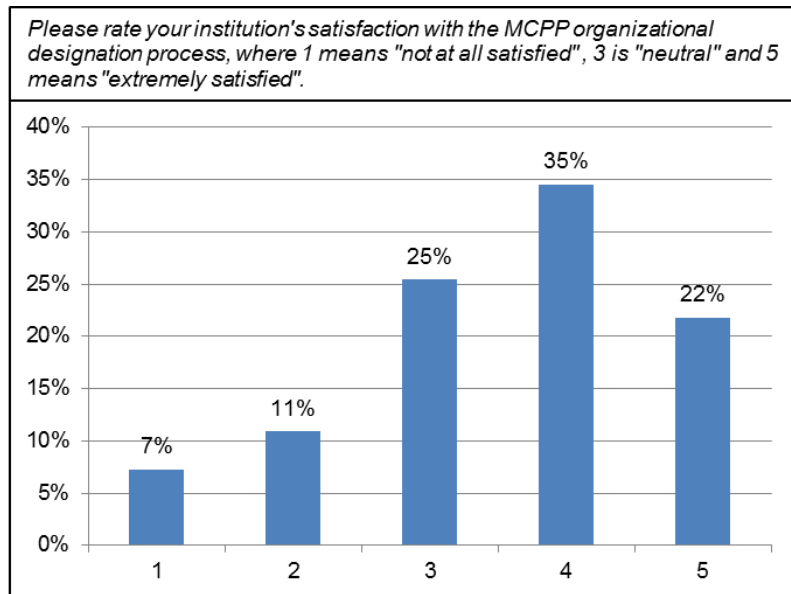
Source: *CPEIA Annual Reports*, 2010-11 to 2013-14, and 2010 MCPP Evaluation Report.

However, this decrease is not surprising. The lists of designated institutions included in the *CPEIA Annual Reports* appear to show that the vast majority of institutions likely to seek designation have already obtained it. This was confirmed by MCPP key informants. The MCPP website lists a total of 259 institutions that possessed a Category “A” designation as of March 31, 2014. A MCPP key informant explained that, although the volume of applications has decreased in recent years, there are still about ten designation applications per year on average, indicating there are still new organizations that wish to access the grant/certification components.

### *Institutions are generally satisfied with the designation process*

As shown in Figure 2, the surveyed designated institutions indicated that they were generally satisfied with the designations process: 57% were satisfied while 18% were dissatisfied (average rating of 3.5 out of 5).

**Figure 2: Overall Satisfaction with the Designation Component – Survey of Designated Institutions**



n=55

Institutions that had applied for designation (18 in total between April 2010 and October 2014) were asked to rate a variety of aspects pertaining to the designation process. They were generally satisfied with the ease in accessing application forms, the overall satisfaction with the service provided by MCPP and the clarity of the guide and forms (Table 8). All of these aspects receiving an average satisfaction rating of at least 3.5 out of 5. However, they were less satisfied with the timeliness with which applications are processed (rating of 2.9), the level of effort required to submit an application (rating of 3.1) and the clarity of requirements for designation (rating of 3.2). PCH key informants also mentioned the length of time the designation process can take as a source of frustration to clients.

**Table 8: Level of Satisfaction with the Designation Process – Survey of Designated Institutions**

<b>Using a scale of 1 to 5, where 1 is “not at all satisfied”, 3 is “neutral” and 5 is “extremely satisfied”, please rate your institution’s satisfaction with respect to the MCPP designation process:</b>								
<b>Items</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>	<b>n</b>	<b>Rating Average</b>
Ease in accessing application forms	6%	6%	17%	50%	22%	100%	18	3.8
Overall satisfaction with the service provided by MCPP	11%	0%	17%	50%	22%	100%	18	3.7
Ease in accessing the Application Guide	6%	11%	22%	44%	17%	100%	18	3.6
Clarity of the Application Guide	6%	6%	39%	33%	17%	100%	18	3.5
Clarity of the Application form	6%	6%	39%	33%	17%	100%	18	3.5
Clarity of the Facilities Evaluation Form or Short Facilities Evaluation Form	11%	11%	44%	17%	17%	100%	18	3.2
Clarity of requirements for designation	11%	17%	28%	33%	17%	100%	18	3.2
Reasonableness of effort required for submitting a complete application	11%	17%	33%	33%	6%	100%	18	3.1
Timeliness of the treatment of your request	11%	22%	33%	28%	6%	100%	18	2.9

Several survey respondents as well as external key informants requested more clarity in the requirements, specifically, to provide a clear statement of the standards to be met.

The MCPP responded to a recommendation of the 2010 evaluation to put the designation forms online, and has continued to improve the forms and process (new forms were approved in early 2015-16). However, the forms were removed from the MCPP website during 2013-14 and are not currently available (e.g., in the format of a fillable PDF)<sup>26</sup>. Rather, the website instructs interested applicants to contact PCH by email or phone to request the application. A MCPP key informant noted that it would not be cost effective to develop an online application process (similar to MCP Online for certification applications) due to the very low volume of applications.

***Designation is valued by institutions***

Notwithstanding these issues, several of the surveyed designated institutions commented that designation provides a more professional stature with funders and donors. For example, one survey respondent commented that *“Our designation gives us great standing with donors, even for acquisitions that are not being made under the MCPP.”* Similarly, a key informant in a designated institution summarized the designation component as follows: *“it’s worth the pain to go through...we received wonderful groups of objects and developed relations with donors so we continue to try doing this”*.

***The program’s first-ever survey of designated institutions may reveal compliance issues***

The program has long recognized a risk of Category “A” designated institutions no longer meeting program requirements, given many institutions were designated in the early years of the program and collections care standards have increased since then. The 2009 *Audit* stated that

<sup>26</sup> As of August 2015.

significant improvements were required to the review of designations. In September 2013, the program distributed an obligatory survey to designated institutions to review their compliance with current standards. The final survey response was received in June 2015; at the end of the period under review, the analysis was still under way. The preliminary results of the survey reveal that some institutions face challenges, such as aging infrastructures, lack of space and insufficient capital funding. Key informants indicated that the bar for obtaining a category “A” designation has been set much higher during the past 15 to 20 years compared to the early years of the program. Until the survey project is completed, the program is not able to determine the extent to which institutions which were designated many years ago implement current accepted practices. Thus, the program (and the Government of Canada) may face a risk, i.e., some culturally-significant objects may be housed in institutions that have not implemented currently-accepted practices.

## 5.2.2 Certification

### *Certification continues to have a strong impact in building collections of significant cultural property in designated Canadian institutions*

The CPEIA Annual Reports provide data on the number of applications for certification that received a determination of fair market value in order to complete a Cultural Property Income Tax Certificate (and enable a donation). Data on the number and value of applications for certification as determined by the CCPERB are presented in Table 9.

**Table 9: Number and Value of Applications for Certification, 2010-11 to 2013-14 and 2005-06 to 2008-09**

	2010-11	2011-12	2012-13	2013-14	Average 2010-11 to 2013-14	Average 2005-06 to 2008-09
# of applications determined by the Board	595	591	581	512	570	828
Total determined fair market value	\$85,434,421	\$106,178,896	\$72,127,314	\$316,566,831	\$145,076,866	\$125,449,460

Note: The number of determinations and total fair market value also includes redeterminations.

Source: CPEIA Annual Reports 2010-11 to 2013-14, 2010 MCPP evaluation report.

During the evaluation period an average of \$145 million in cultural property per year was certified as OS/NI by the CCPERB and tax certificates were issued to the owners. Virtually all of the collections/objects certified are ultimately donated or sold to designated institutions. However, the program does not collect data on how institutions are actually using the certified objects or on the extent to which Canadians are accessing them.

The results from the survey of designated institutions indicate that certification continues to be important in helping institutions to acquire cultural property: 90% of designated institutions agreed that tax incentives are important to their donors’ or sellers’ decisions to donate or sell their cultural property (an average rating of 3.9 out of 5 on the 5-point agreement scale). The following comment illustrates the general view:



*Donors are happy to receive a tax receipt, but they are also very happy to have objects that are important to them taken care of by a cultural institution. Many also understand the importance of their objects to a public collection. We are always very happy to receive such objects and have a way of offering compensation to them for their investment in and care of important cultural artifacts.*

As discussed earlier under the evaluation issue of relevance, key informants representing institutions emphasized that donations are critically important given their limited acquisitions budgets.

***The volume of applications for certification continues to decline***

As indicated in Table 9, the number of applications determined by the Board declined during the evaluation period, from 595 in 2010-11 to 512 in 2013-14 – an average of 570 over the four years. This continued the downward trend experienced during the previous evaluation period, which averaged 828. In fact, the number of determinations has declined significantly over the past few decades. The 2005 MCPP evaluation report states that, in the early years of the program (i.e., following Canada’s ratification of the UNESCO convention in 1978), there were a few hundred certifications annually, which rose to 1,082 in 1986-87 and continued at around 1,000 from 1995-96 to 2003-04.<sup>27</sup>

The CCPERB Annual Reports also provide data on the number of applications that are refused and withdrawn (Table 10). Overall, during the evaluation period only 52 applications were refused during the evaluation period as not being of outstanding significance and national importance (13 per year on average), while 37 were withdrawn (about 9 per year).

**Table 10: Number of Applications for Certification Refused/Withdrawn, 2010-11 to 2013-14**

	2010-11	2011-12	2012-13	2013-14	Total
# of applications refused*	17	11	5	19	52
# of applications withdrawn	10	7	11	9	37

\* Applications are refused by the Board if it is not satisfied that the subject cultural property meets the OS/NI criteria. Source: CPEIA Annual Reports 2010-11 to 2013-14, 2010 MCPP evaluation report.

While the volume of applications determined decreased during the evaluation period, the total fair market value as determined by the Board increased compared to the previous evaluation period: an average of \$145.1 million versus \$125.5 million, respectively. The 2013-14 CPEIA Annual Report notes that a small number of files were determined at a very high market value in that year, causing the spike in total value. MCPP staff explained that if a single outlier were excluded, the average total fair market value for the evaluation period would have been in line with historical norms.

The reasons for the decline in the number of applications for certification are not clear; this trend is not discussed in the CPEIA Annual Reports. PCH key informants suggested that several factors

<sup>27</sup> Canadian Heritage, *Summative Evaluation of the MCPP*, 2005, p.16.

are at play. A major issue may be capacity constraints within institutions as a result of widespread funding cuts. Examples include limited storage space, a diminished capacity to prepare certification applications and to engage appraisers, and the challenges in fully documenting and describing large archival acquisitions. A second factor is that there has been a trend to combine multiple objects/collections on a single application. This trend is noted in the PCH 2013-14 *Departmental Performance Report*: “Although fewer objects were certified this year than in 2012–13 (15,874), this decrease is largely attributable to a trend whereby multiple objects are often grouped and submitted as a collection instead of as individual objects.”<sup>28</sup> Another factor that may be indirectly affecting the likelihood to submit applications may be the crackdown by CRA on tax-shelter gifting arrangements. However, program data show that few of these shelters had ever been used for donations of cultural property (18 certification applications were identified as tax-shelter gifting arrangements by the CRA between 2010 and 2014, with a fair market value of \$112 million)<sup>29</sup>. Nonetheless, this issue may be prompting the CCPERB to exercise an increased level of due diligence when assessing all applications. MCPP staff also noted that there has been insufficient marketing/promotion of the certification process over the years, and there may be general uncertainty among institutions about the nature and extent of the available tax benefits. Some institutions suggested that more information should be provided on the MCPP website.

MCPP staff noted that while the overall volume of applications is trending downward, the complexity of applications has increased. This subject is discussed later in this report.

***The program has made a concerted effort to improve delivery but burden and turnaround time continue to be issues***

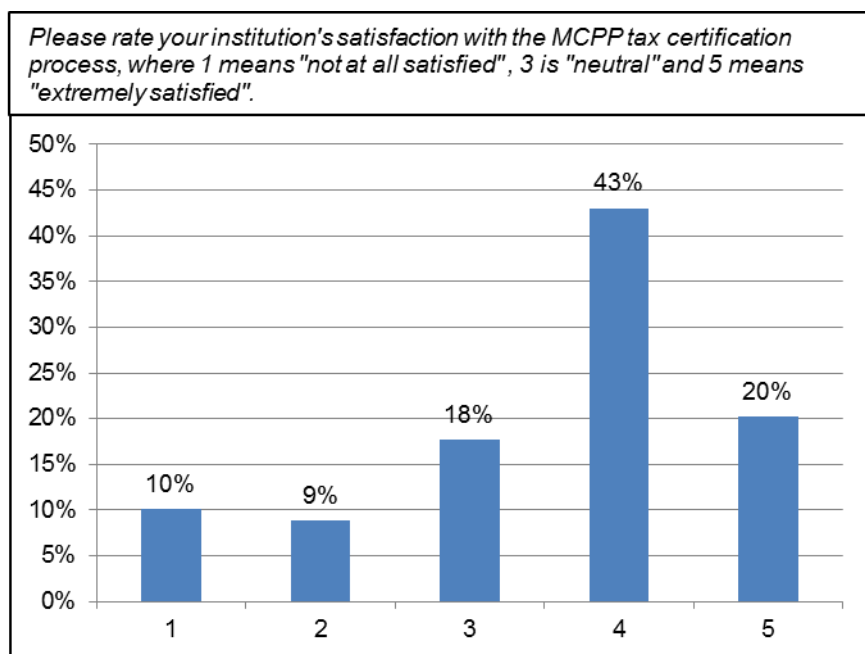
As shown in Figure 3, the surveyed designated institutions indicated that they were generally satisfied with the certification process: 63% were satisfied while 19% were dissatisfied (average rating of 3.5 out of 5).

---

<sup>28</sup> Canadian Heritage, *2013-14 Departmental Performance Report*, p. 61.

<sup>29</sup> Canadian Heritage, “The Canadian Cultural Property Export Review Board: Context, Challenges and Considerations”, 10 November 2014, p. 22.

**Figure 3: Overall Satisfaction with the Certification Component – Survey of Designated Institutions**



n=79

The survey also asked respondents to rate various aspects of the certification process (Table 11). Respondents were favourable in their assessment of several aspects, including the knowledge and competence of MCPP staff and the ease of accessing information and guides on the certification process (including the *Certification Application Guide*, *Describing Archival Materials Guide* and *MCP Online User Guide*). The clarity and usefulness of these guides was rated generally favourably although there would appear to be room for improvement. A subsequent question on a newer (December 2013) guide, *Writing an Effective OS/NI Justification for the Certification of Cultural Property*, was rated as useful by 86% of respondents.

These generally positive ratings reflect the efforts of the program in recent years to improve the overall process, including re-organization of staff and an emphasis in improving the various client-facing tools.

Survey respondents were more neutral in their assessment of the ease in meeting application requirements, turnaround time, and the financial burden placed on them to complete an application. The ratings for these three aspects were the lowest of all of the factors rated (bottom three rows of Table 11). When asked to comment on the certification process, many comments pertained to its complexity and time-consuming nature. As noted above, MCPP staff also identified these issues, as did external key informants. Some of the institutions stated that the uncertainty about the turnaround time may be generating anxiety among their donors, resulting in some of them deciding not to donate. Several key informants in institutions suggested that the process needs to be clearer and more transparent. They also called for better promotion of the component and a more user friendly website.

The previous 2010 evaluation also noted issues with the certification process: “The primary complaint with certification was the process institutions had to go through to obtain it.”<sup>30</sup>

**Table 11: Rating of Certification Process – Survey of Designated Institutions**

Statements	1	2	3	4	5	Total	n	Rating Average
MCPP staff are knowledgeable and competent	3%	5%	7%	35%	51%	100.0%	77	4.3
Certification Application Guide is easy to access	3%	3%	17%	47%	30%	100.0%	76	4.0
Information about the certification process is easy to access	1%	9%	21%	44%	25%	100.0%	77	3.8
Application forms needed for the certification process are easy to access	3%	10%	14%	46%	27%	100.0%	77	3.8
Certification Application Guide is clear and easy to use	4%	13%	24%	42%	17%	100.0%	76	3.6
Describing Archival Materials Guide is clear and easy to use	2%	9%	34%	45%	11%	100.0%	56	3.5
MCP Online User Guide is clear and easy to use	6%	15%	22%	39%	18%	100.0%	72	3.5
M CPP’s website is easy to navigate	5%	15%	31%	39%	11%	100.0%	75	3.4
Turn-around time for the certification process overall is reasonable	8%	20%	25%	31%	17%	100.0%	77	3.3
Time required to prepare a complete application is reasonable	12%	21%	25%	30%	13%	100.0%	77	3.1
Application requirements are easy to meet	12%	21%	33%	22%	13%	100.0%	77	3.0

Comparing the different types of institutions, archives provided the lowest ratings, in particular with respect to the time required to complete an application and the ease and cost of meeting application requirements.

Archives took particular issue with what they described as “the onerous” requirement to arrange their fonds to the required level of detail. In their open-ended comments, institutions expressed frustration when the Board does not accept the level of description required for appraisal and/or the appraised values established by the National Archival Appraisal Board. Several respondents were frustrated that the Board requires the complete arrangement and description of a fonds, including creation of the finding aid, before issuing a certificate. Illustrative comments were as follows:

- *“We are now strongly discouraging donors from pursuing cultural property certification. The process is much too expensive in terms of appraisal costs and staff time, compared to regular gift-in-kind tax credits. The amount of detailed justifications required for archival collections, especially those with special media, has become much too onerous.”*
- *“Preparing for certification applications is a time-consuming process for archives particularly for those with limited archival staff. Creation of a detailed finding aid for*

<sup>30</sup> Canadian Heritage, *Summative Evaluation of MCPP*, January 2010, p. 29.

*extensive holdings and the certification application process can lead to other archival work plans being delayed for 2+ years due to certification activities.”*

In addition, several comments made mention of the lack of human resources in archives to undertake the type of detailed documentation required by the Board. For example:

- *“The process is incredibly taxing on staff resources. There are times when donors are discouraged from certifying, even if it would be possible because there aren't enough human resources to process an application.”*

Several key informants suggested that having an appropriate communication strategy would help the program to better inform institutions, donors and other stakeholders and to improve overall stakeholder relations. A communications strategy could also address the issue that some institutions do not understand the role of the program vis-à-vis the Board.

Some key informants highlighted the need for more transparency with respect to the decision-making process, as the reasons for rejection of applications are not always understood.

### ***The program has implemented several process improvements***

A web-based application system branded by the program as “MCP Online” was launched in April 2012 in response to a recommendation of the 2010 evaluation. The ability to complete certification applications online was recognized as a best practice by PCH key informants. A review of the department’s progress in implementing performance measurement noted that this application: “enables the program to more effectively gather information on expected program outcomes and other topics, while streamlining the amount of time and resources needed to collect, input, organize, store and retrieve data.”<sup>31</sup>

There has been a large increase in the number of online applications for certification since the launch of the online process in April 2012. Online applications represented 68% of all applications in 2014-15, up from 12% in 2012-13 – substantial progress in only two years.

However, PCH key informants expressed somewhat mixed opinions on the extent to which MCP Online had improved the program’s efficiency. Some said that its main advantage is that it has reduced the number of paper files received from applicants and made storage easier. Meanwhile, some old problems became “electronic problems”: there are still missing documents, even if most applications tend to be complete. The need to maintain the system remains and clients still require personal assistance when they have difficulties completing the online application. The program noted that the PCH decision to create an online system for certification did not take into account the need for staff to implement the new system and to maintain it. This omission was addressed by the eventual approval of a new position in 2014-15 to provide the necessary technical support.

Surveyed designated institutions were generally satisfied to neutral in terms of their level of satisfaction with MCP Online.

---

<sup>31</sup> Canadian Heritage, *2012-13 Annual Report on the State of Performance Measurement of Programs in Support of Evaluation*. p. 18.

Between 2010-11 and 2014-15 MCPP produced several updated guides and documents related to certification. In December 2013, MCPP published the online *Outstanding Significance and National Importance: (OS/NI) Writing an Effective OS/NI Justification for the Certification of Cultural Property by the Canadian Cultural Property Export Review Board* which expands on descriptions provided in the *Act*, and including definitions of many terms.

One key PCH informant viewed the *Guide* as a way to improve standardization, make the program's requirements clearer and to make the decision-making process more transparent and consistent. It was considered by one respondent as a major step forward as "*an OS/NI statement is critical to getting the application accepted*".

A majority of surveyed designated institutions who were aware of the 2013 OS/NI guide found it useful in preparing an application.

However, the guide states that an archival fonds should not be presented for certification until it has been arranged and described, and a finding aid has been produced for it.<sup>32</sup> These requirements are not stated in the earlier Describing Archival Material guide, or in the 2010 Application Guide.

---

<sup>32</sup> *Outstanding Significance and National Importance: (OS/NI) Writing an Effective OS/NI Justification for the Certification of Cultural Property by the Canadian Cultural Property Export Review Board*, p. 7.

## Do designated collecting institutions have opportunities to acquire significant cultural property?

### Summary of key findings

Two MCPP components, export controls and grants, contribute to this outcome. (A third component, certification, also contributes to this outcome; this component is assessed above).

**Export controls:** The main purpose of export controls is to ensure that, prior to the export of culturally significant objects, Canadian institutions are aware of the impending loss to the country and have the opportunity to purchase such items. A large volume of export permit requests were submitted to the CBSA and then forwarded to the PCH during the evaluation period. The procedures are well known among stakeholders. The CCPERB reviewed a relatively small number of refused export permits annually during the evaluation period: about ten per year. This volume was comparable to the previous evaluation period. Of the total number of export delays imposed by the Board (33 in total during the evaluation period), only 10 items were acquired by institutions (4 with MCPP grant assistance and 6 without). It is not possible to examine the extent to which significant cultural property is being exported by avoiding export controls. There are numerous IM/IT issues associated with export controls, including the fact that the application process has not been automated and the program uses an outdated database for information management.

**Grants:** MCPP grants have enabled only a few institutions to acquire cultural property that otherwise would have been exported due in part to the very small number of export delays. Both the number of approved grants and amount of grant expenditures (21 grants valued at \$2.025 million) declined by about one-half during the evaluation period compared to the previous evaluation period. The program spent only 44% of its allocated grants budget during the evaluation period. The issues with grants include challenges faced by institutions in contributing funds to make the purchase. Notwithstanding the low volume of activity, key informants along with the surveyed designated institutions believe that this component is a success, as it enables institutions to acquire cultural property that would otherwise leave the country.

The evaluation examined the performance of two MCPP components, export controls and grants, in contributing to achieving the immediate outcome “designated collecting institutions have opportunities to acquire significant cultural property.” (A third component, certification, also contributes to this outcome; an assessment of this component is presented in section 5.2.2.)

### 5.2.3 Export Controls

#### *Export delays imposed by the CCPERB resulted in very few items being acquired by institutions*

The main purpose of export controls is to ensure that, prior the export of culturally significant objects, Canadian institutions are aware of the impending loss to the country and have the opportunity to purchase such items.<sup>33</sup>

<sup>33</sup> Canadian Heritage, *MCPP PMERS*, p. 10.

A large volume of export permit applications were submitted to the CBSA and then forwarded to PCH: 1,752 over the four-year period, an average of 438 per year (Table 12). Of this total, 80% were applications for permanent export permits and 20% for temporary permits (for exhibition, conservation, research, etc.).

**Table 12: Export Permit Applications, Appeals, and Export Delays, 2010-11 to 2013-14 and 2005-06 to 2008-09**

	2010-11	2011-12	2012-13	2013-14	Total 2010-11 to 2013-14	Total 2005-06 to 2008-09
# of export permit applications forwarded from CBSA to MCPP	441	390	433	488	1,752	NA
# of refused export applications reviewed by the Board	9	12	8	12	41	39
# of export delays imposed by Board	6	9	7	11	33	32
Items acquired by institutions subsequent to delay (with MCPP grant assistance)	-	1	1	2	4	13
# of items acquired by institutions subsequent to delay (without grant assistance)	1	1	1	3	6	10

Source: CPEIA Annual Reports 2010-11 to 2013-14, MS Excel file provided by the program, and 2010 MCP Evaluation Report.

The Board reviewed a total of 41 appeal applications for export permits during the evaluation period, resulting in 33 (80%) delays. These figures are comparable to the previous evaluation period, when there were 39 reviews and 32 delays.

Only 4 (12%) of all delayed export permits led to items being acquired by designated institutions (with MCPP grant assistance), compared to 13 (40%) during the previous evaluation period. In addition, six items were acquired by institutions subsequent to an export delay being imposed, but without the assistance of an MCPP grant, compared to ten during the previous evaluation period. Therefore only 10 items in total were acquired during the evaluation period, compared to 23 during the previous evaluation period.

A few external stakeholders, including exporters, stated that the low number of objects that are acquired may be a result of the brevity of the export delay period, which does not leave institutions sufficient time to find the necessary funds. Thus it is possible that important pieces of Canadian heritage have been allowed to leave the country either because the delay is too short or because institutions don't have sufficient funds to purchase the objects. On the positive side, key informants noted that there are clear procedures in place and Canadian institutions are well aware of the process.

The survey of export permit appellants revealed that they are fairly dissatisfied with the appeals process: of the 8 respondents, 7 stated they were dissatisfied with the process and 5 stated that they have difficulties accessing information on the process.

The literature review revealed that similar performance measures are in use among European signatories of the Convention: the number of export licenses issued for cultural property, and the



number of export permits refused by customs authorities. The UK attempts to measure the efficacy of export delays in assisting British cultural institutions to acquire important cultural property. The annual report to the Parliament of Great Britain on the *Export Control Act* states that between 2004-05 and 2013-14, 18% (by value) of cultural property subject to an export delay was subsequently purchased by a UK institution. This indicates that the UK also experiences challenges in retaining significant cultural property.

***It is not possible to determine the extent to which significant cultural property is bypassing export controls***

As no federal agency in Canada tracks cultural property theft or estimates the amount of cultural property that may leave the country each year, there is no data on which to base a firm judgment as to whether export controls are successful in deterring illegal exports. An academic opinion from 2010 is rather ambivalent:

In Canada, it is unclear whether the country's permit system is widely ignored or evaded. In any event, the system is said to pale into insignificance in comparison to the much more utilized system of classification of cultural property in the interest of providing tax advantages to Canadian taxpayers. It is Canada's system of classification of cultural property for tax purposes, not involving the direct expenditure of government funds that secures more privately owned objects for public institutions than do its export permit procedures. One could speculate that most Canadian private collectors focus on objects for which there is a vibrant local market, such as Canadian paintings, that makes their seeking international buyers unnecessary. In a sense the application for an export permit is evidence that particular cultural material is unlikely to be important to Canada because a healthier market for it exists elsewhere.<sup>34</sup>

Key informants noted the significant challenge resulting from the shared responsibility between PCH and CBSA. This poses a risk: applications are issued/refused by CBSA permit officers without any input from PCH. As one key informant stated, "*there is a disconnect between MCPP staff (who know the Act) and CBSA who do control*". Sometimes Canadian collections "*may 'escape' from export controls when they don't get caught*", as permit officers do not have specific training, and sometimes, as one PCH key informant noted, "*it is via auction houses that we learn about objects having received export control permits*".

PCH staff have made significant efforts to minimize this risk through providing guides, information sessions, and information via telephone conversations with CBSA personnel.

***Numerous IM/IT issues exist with the export permit applications process***

Although there are several hundred export permit applications per year, the application process has not been automated. The application is completed by hand by the applicant and consists of two parts (two separate forms), each with multiple carbonless copies. The application is not available online – it has to be obtained by the applicant by mail or by visiting a CBSA or PCH

---

<sup>34</sup> International Law Association, The Hague Conference (2010), *Cultural Heritage Law, Draft Report on National Controls over the Export of Cultural Material*, p. 11.

office. Program staff explained that an online application has not been developed due to “rigid regulations in the Act.”

The application is submitted to the CBSA, which determines whether the application meets any of the criteria for issuing the export permit automatically. If the criteria do not apply, the application is referred by the CBSA to an expert examiner, who assesses the application for OS/NI. If the application is refused, the CBSA notifies the applicant, who has the option of lodging an appeal with the CCPERB. If the application does not have OS/NI significance, the CBSA issues the permit.

The CBSA sends the completed applications/permits to PCH, where a program officer enters the information into a database called “Summa”. Summa was originally used to support and keep track of certification decisions made by the Board. In 2011, the MCPP transitioned from Summa to the departmental Grants and Contributions Business Online (GCBO) platform for the management of certification applications.<sup>35</sup> Export permit data remained within Summa even though the system had become increasingly obsolete.

There are numerous issues with the process and with the outdated Summa system, which are well known to PCH (a business case was prepared in 2010 that identified options for how export (and import) data could be managed). For example, there is no way of tracking whether all completed applications are forwarded by the CBSA to PCH. Also, there is no way of monitoring or enforcing service standards (i.e., ensuring the CBSA submits the completed forms to PCH within a certain number of days).

While the Summa system continues to function, data entry is tedious and time consuming. The responsible PCH program officer was not able to estimate the amount of time required to complete data entry for one application. Given there are 25-30 separate screens that are completed, our estimate is 60 to 90 minutes. This equates to about one-third of an FTE annually.

Because the application form is completed by hand (and is detailed and lengthy), empty fields are common. Although images (on paper) of the cultural object(s) are appended to the application, these images cannot be scanned and entered into Summa.

The software is no longer under a maintenance contract with the program developer. Summa has limited reporting capability. A separate Excel spreadsheet is used to compile data to support the preparation of the annual report on the administration of the CPEIA. It is not possible to measure processing times, e.g., elapsed time at each stage of the process.

The program should consider replacing the outdated Summa system with an online application system. Such a system should reduce the burden on the applicant, improve data accuracy and allow the monitoring of service standards, and potentially permit all government parties (e.g., CBSA, MCPP, ATSSC, and RCMP) to access the data.

---

<sup>35</sup> GCBO is a case management system originally developed for film and television tax credit processing by the PCH Canadian Audiovisual Certification Office.

## 5.2.4 Grants

*Grants have enabled a few institutions to acquire cultural property that otherwise would have been exported*

For the period 2010-11 to 2013-14, both the total number of approved grants (21, or about 5 per year) along with the total amount of grant expenditure (\$2.025 million, or \$500 million per year) declined by roughly one-half compared to the previous evaluation period (Table 13). The program spent only 44% of its allocated budget during the current evaluation period. Between 2010-11 and 2014, an average of \$658,765 of grant money was surplussed to the Reserve or to other Branches (see section 5.6.1 for further information on MCPP budgets and expenditures).

**Table 13: Number and Value of Approved Grants, 2010-11 to 2013-14 and 2005-06 to 2008-09**

	2010-11	2011-12	2012-13	2013-14	Total 2010-11 to 2013-14	Total 2005-06 to 2008-09
# grants approved	6	4	5	6	21	40
# grants not approved	4	1	-	2	7	NA
# unsuccessful at auction	1	1	0	0	3	4
# result in purchase	5	3	5	6	18	NA
Expenditures	\$512,396	\$475,000	\$441,727	\$596,189	\$2,025,312	\$4,586,664

Source: CPEIA Annual Reports 2010-11 to 2013-14, MS Excel file provided by the program, and 2010 MCPP evaluation report.

Given the low number of export permit delays (described above) it is not surprising there was relatively little grant activity each year.

Two institutions were unsuccessful at auction so their grants were not finalized (representing \$140,000). During the same period, 7 grant requests representing a total value of \$610,309 were unsuccessful.

Going back further in time both the number of grants and expenditures were considerably higher. From 1994-95 to 2003-04, the MCPP provided an average of about 14 grants per year, with average annual expenditures of \$800 million. The component spent 79% of its grant allocation over this ten-year period.<sup>36</sup>

Notwithstanding the low volume of grants during the current evaluation period, all key informants who expressed an opinion stated that the grants had been a success in enabling institutions to acquire cultural property that would otherwise leave the country. For example, one key client informant stated that had the MCPP grant not been obtained, “*we would have never been able to acquire a national treasure*”, and “*if not held [delayed export] and forced to be in a museum, (the object) would have left the country*”. Among the designated institutions surveyed, of those that had applied for a grant (note there were only seven institutions in total, given the relatively low

<sup>36</sup> *Summative Evaluation of the Movable Cultural Property Program (MCP)*, Evaluations Services, Canadian Heritage, October 2005, p. 20.

volumes of grant recipients over the years), five had been successful in acquiring the cultural property. The following two quotes illustrate the importance of the grant component:

*“The grant was a major factor in making it possible for us to acquire a very significant item of Canadian heritage (Gen. James Wolfe correspondence). Although we had a lead donor and the Library also contributed substantial funds, the grant was essential in helping us raise the full amount of the purchase price.”*

*“[The grant] allowed the institution to repatriate cultural material of great interest and meaning to First Nations communities in New Brunswick.”*

### ***Funding issues inhibit the ability of institutions to obtain grants***

Key informants and surveyed designated institutions raised similar issues to those identified in previous evaluations. Concern was expressed about the difficulty in accessing a grant of sufficient amount to acquire key cultural property. For example, one grant recipient who responded to the survey emphasized that solutions need to be found urgently:

*“Access to grants requires timely solutions. Partners are becoming more difficult to access for funds and critical documentary heritage is being lost and/or fragmented as it is sold to the highest bidder.”*

Another survey respondent reported not being able to use their grant “because of a very high auction bid by an unknown party.”

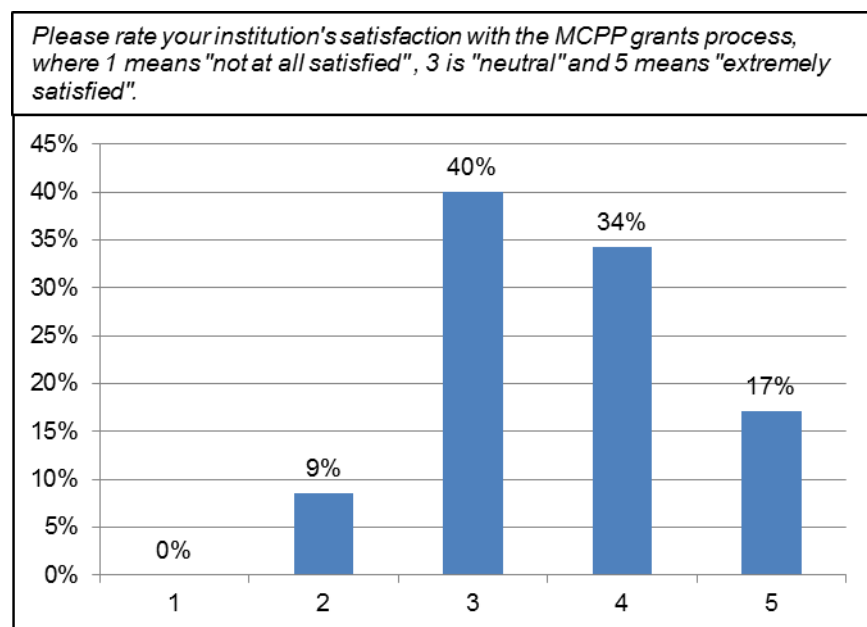
The review of program file data revealed several cases where the grants approved by PCH (based on the ability of the recipient institution to provide its financial share as well as its estimate of the likely final sale price at auction) were insufficient to acquire the cultural property.

There are widespread concerns with the inability to obtain grants, as outlined earlier, however the program historically has not spent its allocated grants budget each year.

### ***Stakeholders are generally satisfied with the grants process, with a few exceptions***

Overall, 51% of institutions were satisfied with the grants process and only 9% were dissatisfied (Figure 4). (Note that 35 institutions answered this question out of the 90 institutions that completed the survey, reflecting the fact that few institutions have applied for grants over the years.)

**Figure 4: Overall Satisfaction with the Grants Component – Survey of Designated Institutions**



n=35

The institutions that had applied for a grant during the evaluation period (7 in total) gave high ratings to the service provided by the MCPP and the timeliness of the treatment of grant requests.

The ability to turn around applications quickly was noted by a few key informants as a factor in being able to secure objects at auction, and a factor contributing to the success of the grants component.

Flexibility was noted as another success factor for the MCPP grants component by some PCH staff. As one noted, the updated grants guidelines have made some important changes. For example, the previous guidelines stated that the institution was expected to contribute 50% of the purchase price, while the new guidelines use the word “encourage” and permit the program to contribute up to 100% of the price in “exceptional circumstances.” However, the interviews with external key informants along with the results of the two surveys indicate there is limited awareness of these changes among institutions.

On the other hand, surveyed clients are less satisfied with the clarity of guidelines or forms and the time required to complete an application. A few key informants disagreed with the requirement that institutions have to provide information about their acquisitions budgets and must prove the budget has been exhausted before applying.<sup>37</sup> (MCPP staff indicated that institutions are not required to “exhaust” their budgets; therefore there may be a communications issue that needs to be addressed.)

<sup>37</sup> It is notable that some major national cultural institutions are not represented among grant recipients made during the four years under review, such as the Beaverbrook Art Gallery, Musée des Beaux-Arts de Montréal, Glenbow Museum, Vancouver Art Gallery.

## Evaluation Questions

**Is cultural property being illegally imported into Canada? Is this property being returned to the country of origin?**

### Summary of key findings

The number of files opened by the program on suspected illegal imports of cultural property (following referrals from the CBSA) declined substantially from the previous evaluation period, from an average of 35 per year during 2005-06 to 2008-09 to 20 during 2010-11 to 2013-14. However, virtually the same proportion (6%) of these cases during the two periods concluded with a return of illegally-imported cultural property (a total of 5 returns during the evaluation period). Over the years, a few of these cases garnered substantial attention in the international press.

It is not possible to determine whether the decline in the number of suspected illegal imports reflects a lower enforcement effort or fewer attempts to illegally import objects into Canada. Some key informants stated that other priorities at the border have translated into a decline in the number of suspected illegal import of cultural property cases.

As with export controls, the program is dependent on the efforts of its delivery partners. Import control achievements are due to the dedication of MCPP staff and to the significant effort the program devotes to maintaining a strong relationship with the CBSA.

On average, each year the program opened 20 files on suspected illegal imports of cultural property following referrals from the CBSA (Table 14). This represents a substantial decline from the previous evaluation period when 35 files were opened on average per year.

There were a total of five returns of illegally-imported cultural property during the evaluation period, compared to nine during the previous period.<sup>38</sup> Thus the proportion of overall returns is almost identical between the two periods: 6.2% for the current evaluation period versus 6.5% for the previous evaluation period.

It is not possible to determine whether the decline in the number of files on suspect imports is reflective of the enforcement effort or the attractiveness of Canada as a destination for illicit trafficking of cultural property. One external key informant stated that other priorities at the border (counterterrorism, illicit tobacco, drugs and weapons) has translated into a decline in the number of illegal cultural import cases stopped by the CBSA at the border.

---

<sup>38</sup> The five returns pertained to Bulgaria (two), China (two) and Egypt (one).

**Table 14: Number of MCPP Cases Opened on Suspect Imports and Number of Returns, 2010-11 to 2013-14, and 2005-06 to 2008-09**

	2010-11	2011-12	2012-13	2013-14	Total 2010-11 to 2013-14	Total 2005-06 to 2008-09
# files opened on suspect imports	19	25	15	21	80	138
# returns	3	1	0	1	5	9

Source: CPEIA Annual Reports, 2010-11 to 2013-14, program data and, 2010 MCPP evaluation report.

According to PCH key informants, the program’s contribution to initiating return procedures is considered to be significant, although they note that this success would not have been possible without CBSA officers intercepting the objects at border.

As with export controls, import controls is reactive as it depends on the CBSA’s efforts and knowledge to detain objects at the border. As one key informant noted, “*it is difficult to say how often it happens*”, i.e., the extent to which illegal imports are undetected. The program itself has no authority to undertake enforcement; its role is administrative. The PCH external reports (DPR and RPP) allude to the challenges in establishing targets given the unpredictability of illicit imports and the fact that the program depends on collaborative partners.

Some of the returns made by Canada during the evaluation period have garnered the attention of the international press. The return by Canada to China of illegally-imported fossils was reported by the Xinhua News Agency on November 9, 2010, as well as in the Canadian press. Agence France Presse reported on the return of illegally-imported coins to Bulgaria on June 10, 2011, as did many Canadian outlets. The UNESCO website reports on recent restitution cases arising from the Convention, although the only return listed for Canada at present is the return of coins to Bulgaria in 2011.<sup>39</sup>

The RCMP does not generate estimates of the occurrence of illicit importation of cultural property into Canada. Therefore there is no portrait of the scale of the issue against which to assess the number of returns achieved by the program.

Finally, both internal and external stakeholders stated that the success of import control activities is due to the dedication of MCPP staff and to the significant effort devoted to maintaining a strong relationship with the CBSA.

<sup>39</sup> <http://www.unesco.org/new/en/culture/themes/illicit-trafficking-of-cultural-property/recent-restitution-cases-of-cultural-objects-using-the-1970-convention/> . Accessed on July 15, 2015.

## **Is cultural property of outstanding significance and national importance repatriated or permanently retained in Canada?**

### **Summary of key findings**

This intermediate outcome of the MCPP is intended to encompass the combined outcomes of four program activities: designation, certification, grants and export controls. It is not possible to analyze trends in the number of collections/objects repatriated or retained in Canada due to issues with definitions and lack of consistent data over time.

However, the vast majority of surveyed designated institutions, 81%, agreed that the MCPP contributes to ensuring that significant cultural property is repatriated and/or permanently retained in Canada.

As discussed earlier, export controls (the issuance of delays on export permits) do provide opportunities for institutions to acquire culturally-significant cultural property. For a number of reasons, some beyond the control of the program, export controls (along with grants) appear to have had a limited impact on the repatriation or the permanent retention of such property in Canada.

As shown in the Evaluation Framework (Appendix A), this intermediate outcome encompasses the objectives of four out of the five program components: designation, certification, grants and export controls.

As part of its 2011 draft PMERS, the program identified one indicator for this outcome: number of objects protected/preserved through certification, grants and export delay. However, this indicator is not reported in the CPEIA annual reports. The 2012-13 and 2013-14 DPRs do present data on: 1) number of certified objects/collections donated/sold by a private interest to a designated organization; and 2) number of export delay periods.

The 2012-13 DPR states that the preservation of 36,382 collections or objects was enabled by the MCPP, CCI and the Museums Assistance Program (MAP)<sup>40</sup>, while the corresponding figure for 2014-15 was 15,188 objects.<sup>41</sup>

As discussed previously, there has been an increasing tendency for institutions to group together multiple objects as a collection for purposes of submitting applications for certification. Consequently, it is not possible for the evaluation to analyze trends in this indicator.

Data for the second indicator pertaining to export controls was presented earlier in this chapter. Delays on export permits appear to have had a limited impact on the permanent retention of cultural property in Canada. And as discussed earlier, the grants component also has had a limited impact on retention/repatriation.

An alternate measure of this outcome is provided by the results of the survey of designated institutions. Overall, 87% of respondents agreed or strongly agreed that MCPP activities

<sup>40</sup> Canadian Heritage, 2012-13 DPR, p. 46.

<sup>41</sup> Canadian Heritage, 2013-14 DPR, p. 52.



contribute to ensuring that significant cultural property is repatriated and/or permanently retained in Canada (Table 15).

**Table 15: Ratings of MCPP’s Contribution to Repatriating or Retaining Cultural Property in Canada – Survey of Designated Institutions**

<i>Using a scale of 1 to 5, where 1 is “to no extent”, 3 is “neutral” and 5 is “to a very great extent”, please rate the extent to which the MCPP is effective in the following area:</i>								
<b>Statement</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>	<b>n</b>	<b>Rating Average</b>
MCPP activities contribute to ensuring that significant cultural property is repatriated and/or permanently retained in Canada.	7	3	4	29	58	100.0%	76	4.4

### 5.3 Achievement of Ultimate Outcome

**Is significant cultural property preserved by designated collecting institutions so that it may be accessible by current and future generations?**

**Summary of key findings**

All key informants and the vast majority of surveyed designated institutions agreed that the MCPP contributes to ensuring that significant cultural property is made accessible to current and future generations of Canadians.

However, no requirements are in place to measure (or enhance) Canadians’ access to cultural properties donated through certification: either public awareness of, or the number actually exhibited (versus being stored). This issue has been raised by past evaluations.

The findings presented in this chapter clearly indicate that the MCPP’s certification has resulted in a considerable amount of cultural property being certified as OS/NI by the CCPERB during the evaluation period: about \$126 million in tax certificates were issued to owners over the four years. Virtually all of the collections/objects that are certified ultimately find their way into designated institutions.

Unfortunately the program does not track whether and how institutions are using these objects. It is thus not possible to estimate quantitatively the impacts of the program on, for example, attendance at cultural institutions, or on the role played by the MCPP compared to other mechanisms/programs that have a public access objective.

While there is no hard evidence, all external key informants agreed that the MCPP has a significant role in providing Canadians with access to significant cultural property held in public institutions. As a key informant in a major national art institution stated, 90% of its collections are donated and the majority of them are certified cultural objects.

The findings of the survey of designated institutions support this finding. Some 85% of designated institutions agreed that the MCPP had contributed to ensuring that significant cultural property is made accessible to current and future generations of Canadians (Table 16).

**Table 16: Ratings of MCPP’s Contribution to Repatriating or Retaining Cultural Property in Canada – Survey of Designated Institutions**

<i>Using a scale of 1 to 5, where 1 is “to no extent”, 3 is “neutral” and 5 is “to a very great extent”, please rate the extent to which the MCPP is effective in the following area:</i>								
<b>Statement</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>	<b>n</b>	<b>Rating Average</b>
MCPP activities contribute to ensuring that significant cultural property is made accessible to current and future generations of Canadians	8	3	5	22	63	100.0%	79	4.30

The importance to donors of building a public collection is illustrated by the following comment:

*“Donors are happy to receive a tax receipt, but they are also very happy to have objects that are important to them taken care of by a cultural institution. Many also understand the importance of their objects to a public collection. We are always very happy to receive such objects and have a way of offering compensation to them for their investment in and care of important cultural artefacts.”*

As the representative of one important national art institution stated, ninety per cent of the collections are donated (and the majority of them are certified cultural objects). One of the Board members affirmed that the “purpose of the Act is to allow Canadian citizens to enjoy cultural properties”.

Some PCH key informants noted that there are no requirements in place to measure Canadians’ access to cultural properties donated through certification: either public awareness of, or number actually exhibited (versus being in storage). This issue was raised by the 2005 evaluation.

## 5.4 Unexpected Outcomes

### Have there been any positive or negative unexpected outcomes or impacts from the MCPP?

#### Summary of key findings

The main unexpected positive impact identified by the surveyed designated institutions is that becoming designated as a collecting institution had enhanced their standing with donors and building collections, which also helped with their lobbying initiatives.

Several unexpected negative impacts were identified. Some donors have unrealistic expectation with respect to valuations and tax certifications that are causing difficulties for institutions. Some noted that the revision of expert valuations determined by independent appraisals creates uncertainty for donors and can affect the institution's reputation. Some institutions noted a loss of interest on the part of donors due to program changes and perceived burden associated with the application process. Some archives and libraries stated that they are considering discouraging certifications because the process is onerous and costly to them.

Export permit appellants whose permits were delayed but ultimately issued identified only negative impacts. Comments included a souring of relationships between institutions and donors (due to such factors as the elongated process and a belief that certain objects should not have been blocked from export).

Surveyed designated institutions reported both positive and negative unexpected impacts resulting from the MCPP. Export appellants identified only negative impacts.

Some institutions stated that becoming designated as a collecting institution had enhanced their standing with donors and building collections, which also helped with their lobbying initiatives. Examples of comments are as follows:

- *“As we are a small institution in a rural area, being designated to accept cultural property has allowed us to build a meaningful collection through donations.”*
- *“Our designation gives us great standing with donors even for acquisitions that are not being made under MCPP.”*
- *“Yes, our MCPP designation has helped us to lobby, leverage and advocate for University Museums as integral to the academic purpose of a Canadian research intensive university. Without this designation, some very valuable and significant cultural, natural and scientific resources would have been lost to Canada.”*

Some institutions also noted that the MCPP has had a positive impact on their ability to attract resources:

- *“MCPP has helped us convince our parent organization for better resourcing.”*
- *“La procédure est aidante parce qu'elle permet d'avoir des outils à offrir aux gestionnaires qui doivent fixer nos budgets. Ça nous permet de donner des indications sur le sérieux de la collection.”*

Designated institutions identified unexpected negative impacts in a number of areas. The revision of expert valuations included with certification applications were reported to have ongoing negative impacts. As one respondent stated, *“When evaluations are changed it creates uncertainty for our donors. It makes the institution look bad.”*

Some respondents noted a loss of interest on the part of donors as a result of program changes:

- *“With the recent changes to the certification process, particularly the changes surrounding the OS/NI requirements and the need to submit multiple OS/NI justifications for donations that include works by multiple artists, some donors are more hesitant to proceed with an application to have the works designated as Cultural Property, despite the tax incentives. Often they harbour reservations that if there is a possibility that not all of the works will be designated as Cultural Property, then perhaps it's not worth going through the process at all, and sometimes this prevents donors from following through on a donation.”*
- *“Erosion of donors who are looking for a tax receipt for certified cultural material. Lack of faith in the program on the part of institutions.”*

A number of archives and libraries indicated that they are considering not accepting donations that require tax certification. Some libraries and archives said they were actively discouraging or thinking of discouraging certifications because of the onerous process and cost.

Unrealistic expectations on the part of donors with respect to valuations and tax certifications were reported to be causing difficulties for institutions. Examples of comments are as follows:

- *“It has led to unrealistic expectations in the donor community, and an increase in interest in tax shelter gifting arrangements.”*
- *“Many donors expect certification, or are advised to request it. This creates unrealistic expectations for less valuable works that might otherwise have been donated.”*
- *“...et surtout les évaluateurs du CNEA sont bien trop larges en attribuant des montants bien trop élevés.”*

Export appellants mentioned two cases where the relations between financial donors and institutions were ruptured by the lengthy process.

## 5.5 Clarity of Roles and Responsibilities

### Are the roles and responsibilities of the various co-deliverers/stakeholders clear and appropriate?

#### Summary of key findings

The governance structure of the MCPP is generally similar to several other countries that are signatory to the Convention. The main difference is that in Canada, the CBSA, and not PCH, issues export permits.

The Act, and the roles and responsibilities it sets out, did not change during the period covered by the evaluation. While the Secretariat that supports the CCPERB has moved to the ATSSC as of November 1, 2014, the mandate of the Board did not change and it continues to report to the Minister.

Roles and responsibilities among the program and the main delivery partners, the CRA and the CBSA, are reported to be clear and the program has provided strong support to these federal partners.

Some key informants stated that program beneficiaries are not aware of the distinction between the MCPP and the Board.

Some PCH staff stated that the roles and responsibilities of various MCPP staff were in transition during the evaluation period, but that these issues have largely been resolved.

As outlined in the comparative analysis, Canada's approach to fulfilling the obligations of the Convention is generally similar to the approaches taken by other countries with similar legal systems. Ministries similar to PCH are responsible for fulfilling the obligations of the Convention. The main exception is that a separate federal organization in Canada, the CBSA, issues export permits.

The Act and the roles and responsibilities it sets out, did not change during the period under evaluation. While administrative support to the CCPERB changed with the creation of the ATSSC as of November 1, 2014, the mandate of the CCPERB was not altered. The CCPERB remains in the Canadian Heritage portfolio and continues to report the Minister. Thus PCH continues to be responsible for horizontal reporting, including the production of the annual report to Parliament under the Act.

During the evaluation period, the MCPP had formal MOUs with two delivery partners (CRA and RCMP) and has working-level documents with the CBSA that outline roles and responsibilities. The program has responded to the expressed needs for more guidance of two important partner groups, CBSA officers and expert examiners, with professional written guidelines. The decision by CBSA to adopt the MCPP manual virtually unchanged indicates the high quality of MCPP products. According to an external key informant, given permit officers are a bit "reluctant", this manual has made the export controls component "more official and more meaningful" to permit officers who administer export permits.

Board members interviewed believe that roles and responsibilities are very clear. Some PCH and client key informants stated that the distinction between MCPP and the independent Board is not

fully understood. Some PCH staff stated that the roles and responsibilities of various MCPP staff were in transition during the evaluation period. These issues have reportedly largely been resolved, due to an internal reorganization in 2014 and a better distribution of workload. Following the creation of the ATSSC, there are two different managers, one for certification within the ATSSC and three for the four other components within PCH. This is viewed as a positive change by staff in both organizations.

## 5.6 Economy and Efficiency

### Economy: To what extent are resources minimized in the delivery of the program?

#### Summary of key findings

Over the evaluation period actual MCPP expenditures were consistently well below budget: actual expenditures averaged \$1.885 million versus an average budget of \$2.502 million. This was largely due to lower than budgeted grant expenditures. The number of grant approvals declined during the evaluation period. Salary expenses were above budget each year, while O&M expenses were under budget. Program expenses (salaries and O&M) have been remarkably stable going all the way back to 1999-2000. MCPP staff indicated that there have been insufficient resources devoted to the certification process over the years, due to the considerable policy demands, the considerable work required to support the Board meetings (and the increased level of due diligence associated with the review of certification applications), etc. Several staff members talked about a chronic problem in that they have little time to design and implement all of the required process improvements. A restructuring of resources in July 2014 has helped to partially resolve the various HR issues. There may still be an issue of insufficient resources (note that the certification component is now the responsibility of the ATSSC). This issue would require further study.

#### 5.6.1 Trends in Resources

As outlined in the introductory section, economy refers to the extent to which resource use has been minimised in the delivery of a program.

Table 17 presents data on MCPP budgets and expenditures and full-time equivalents (FTEs) for the four-year period covered by the evaluation. Costs consist of salaries, O&M and grants. These are MCPP direct program costs only; they exclude any PCH overhead allocation as well as costs incurred by the other federal departments involved in delivering the program. Salaries do include CCPERB member costs. Over the four-year period, actual expenditures (salaries, O&M and grants) were consistently well below budget: actual expenditures averaged \$1.885 million versus an average budget of \$2.502 million. This was largely due to a lower volume of grant expenditures than budgeted. Salary expenses were above budget each year, while O&M expenses were under budget.

Excluding grants, program expenses (salaries and O&M) were fairly stable over the four-year period, averaging \$1.380 million. In fact, program expenses have been remarkably stable going all

the way back to 1999-2000. As reported in the 2005 evaluation report, for the period 1999-2000 to 2003-04, program expenses averaged \$1.4 million (salaries were \$0.8 million and O&M was \$0.6 million). In 2004-05 there were 13.0 FTEs, compared to 17.8 in 2013-14. While salary costs have increased since then (due to an increase in the number of FTEs coupled with inflation), O&M expenses have declined. Additional resources were added for MCP Online. Grants have also declined: they averaged \$0.9 million from 1999-2000 to 2003-04 compared to \$0.5 million from 2010-11 to 2013-14.

**Table 17: MCPP Budgets and Expenditures (\$), 2010-11 to 2013-14**

	2010-11		2011-12		2012-13		2013-14		Avg. - 4 Years	Avg. - 4 Years
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Salaries	810,000	1,112,308	810,000	1,027,456	1,008,312	1,197,554	954,007	1,228,199	895,580	1,141,379
O&M	435,567	292,987	435,567	219,385	450,567	164,655	450,567	277,978	443,067	238,751
<b>Sub-total</b>	<b>1,245,567</b>	<b>1,405,295</b>	<b>1,245,567</b>	<b>1,246,841</b>	<b>1,458,879</b>	<b>1,362,209</b>	<b>1,404,574</b>	<b>1,506,177</b>	<b>1,338,647</b>	<b>1,380,131</b>
Grants	1,163,680	512,396	1,163,680	475,000	1,163,680	441,727	1,163,680	590,538	1,163,680	504,915
<b>Total Expenses</b>	<b>2,409,247</b>	<b>1,917,691</b>	<b>2,409,247</b>	<b>1,721,841</b>	<b>2,622,559</b>	<b>1,803,936</b>	<b>2,568,254</b>	<b>2,096,715</b>	<b>2,502,327</b>	<b>1,885,046</b>
<b>FTEs</b>	NA	NA	NA	NA	14.5	17.4	16.0	17.8	NA	NA

**Notes**

Salaries consist of the costs of PCH MCP staff, the CCPERB and CCPERB member costs. They are direct costs only, i.e., they do not include any overhead allocation, and they do not include EBP.

**Sources**

Financial data provided by Financial Management Branch, PCH. FTEs obtained from PCH annual Departmental Performance Reports.

## 5.6.2 Adequacy of Human Resources

MCPP staff indicated that insufficient resources have been devoted to the certification process over the years, due to the considerable policy demands, the more in-depth analysis required by the Board (and the increased level of due diligence associated with the review of certification applications), etc. Considerable effort is devoted to preparing for the four annual Board meetings. Several staff members talked about a chronic problem in that they never have time to design and implement all of the required process improvements. Related issues are ongoing staff instability and turnover, with staff being hired on an occasional, part-time or casual basis in order to cope with program demands.

MCPP staff also noted that some of the program's other components have been under-resourced over the years. Although there have been sufficient resources devoted to designations, the significant volumes of documents sent to CCI for assessment have resulted in considerable delays. One key informant suggested that this issue could be addressed by adding an in-house conservation specialist to the MCPP program. Another example of lack of resources is that the program has been delayed in responding to a recommendation of the 2010 evaluation to update the Control List values.

Program staff also noted that outreach and communications are two areas with insufficient resources. A restructuring of resources that occurred in July 2014 has helped to partially resolve the various HR issues. Determining the amount of resources required would require a separate study.



## Efficiency: To what extent are inputs converted into outputs in an efficient fashion?

### Summary of key findings

A basic measure of operational efficiency is cost per unit of output. The annual cost per certification has increased over the years. This is due to the fact that costs have remained relatively constant while the number of certifications has declined substantially. The reasons for the decline are discussed in the section on the certification component. MCPP staff explained that the process and the applications themselves have become more complex.

### 5.6.3 Trends in operational efficiency

In order to assess operational efficiency, trends in the number of certifications (determinations and re-determinations) over time were compared to the amount of resources expended by the program. Certification was selected for analysis because this program component accounts for the majority of program costs.

Data on certifications and program costs are presented in Table 18. As discussed earlier, the number of applications for certification has dropped substantially over the decades, from 1,082 in 1986-87 to an average of 828 from 2005-06 to 2008-09 and to an average of 570 during the evaluation period.

The reasons for the steep drop in the number of applications over the past thirty years are unclear, as discussed earlier. In addition, several respondents to the survey of designated institutions noted that the process has become more difficult over time, which may be causing some institutions and donors to no longer apply.

A basic measure of operational efficiency is cost per unit of output. For the MCPP, we compared total program expenses with the number of determinations<sup>42</sup> per year. We used total expenses because the MCPP does not allocate costs to its various program functions/activities each year. Given we are looking at trends over time and are not comparing the program with similar programs in other countries, this is not a major issue. As shown in Table 18, the cost per determination has steadily increased over the years, from an average of \$1,351 for the period 1990-2000 to 2003-04 to \$2,422 from 2010-11 to 2013-14. While annual costs have remained quite stable (as discussed earlier), the amount of output has declined (which is analyzed in the earlier section dealing with the certifications component). MCPP staff noted that while the volume of applications for certification has declined, the process along with the applications themselves have become more complex, due to such factors as: tax-shelter gifting arrangements; large collections of photographic and audio-visual material with extremely high valuations; legal complications with disposition agreements; and, the challenges associated with valuing digital/electronic material and conceptual art.

---

<sup>42</sup> Determinations are the fair market values initially approved by the CCPERB. Applications for certification are considered “determined” by the Board only if a final decision is reached (i.e., if they are approved or not). The data on the number of determinations in Table 18 includes both determinations and redeterminations.



**Table 18: MCPP Efficiency (Cost per Determination), 1999-2000 to 2013-14**

	Avg. 1999-2000 to 2003-04	Avg. 2005-06 to 2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Avg. 2010-11 to 2013-14
# determinations	1,071	828	765	595	591	581	512	570
Program expenses (\$)	1,447,000	NA	NA	1,405,295	1,246,841	1,362,209	1,506,177	1,380,131
\$ per determination	1,351	NA	NA	2,362	2,110	2,345	2,942	2,422

**Notes**

Program expenses include salaries and O&M.

**Sources**

# of determinations (includes re-determinations) for 2009-10 to 2013-14 obtained from annual reports on the CPEIA. Financial data for 2010-11 to 2013-14 provided by Financial Management Branch, PCH. Financial data for pre-2010-11 years obtained from 2005 and 2010 MCPP evaluation reports.

## 5.7 Monitoring and Reporting

### How effective are monitoring and reporting?

#### Summary of key findings

The program has developed several service standards for various aspects of the program, although there may be some gaps and standards requiring revision. Reporting on these standards is challenging due to database functionality limitations. No formal system is in place to monitor performance against these standards.

The program produces an informative annual report on the administration of the CPEIA. However, it lacks discussion of external trends and their implications for the program and it does not report on key performance indicators.

Some of the indicators have been difficult to define and implement, such as quantifying the volume of cultural property that has been certified. The program does not monitor the usage made of certified cultural property and the access to it by Canadians.

A variety of service standards have been developed for the program. For example, as specified in the Act, the Board must consider a request for certification and, unless the circumstances of a particular case require otherwise, make a determination within four months after the request is received. Board decisions are to be communicated to applicants as soon as possible, typically within four weeks of the meeting where the application was considered. Similarly, for export controls, the results of export permit appeals are to be communicated to all parties within one week of the Board meeting where the appeal was heard.

Feedback was received from stakeholders to indicate they are not aware of the service standards and some of these standards require updating.

MCPP staff expressed a high degree of frustration with the data extraction and reporting capabilities of the program's various database systems, including Summa and GCBO. These systems do not automatically generate performance reports; instead, information has to be manually extracted and assembled in workaround Excel files. While reporting is onerous, staff indicated that all service standards are being met.

While the required annual report by the Minister to Parliament, accessible to the public on the Department's website, contains information on the administration of the Act, it would benefit from a discussion of external trends and their implications for the program as well as a discussion of performance trends, as well as performance against the main service standards.

MCPP staff stated that some of the indicators have been difficult to implement. In particular, it has been difficult to develop clear and consistent definitions on the number of collections and objects that have been certified. And, as discussed earlier, the program does not monitor the usage made of certified objects and collections and the extent to which they are accessed by Canadians.

## 6. Conclusions and Recommendations

### 6.1 Conclusions

#### 6.1.1 Relevance

The *Cultural Property Export and Import Act* came into effect in 1977 for the purpose of protecting and preserving Canada's movable cultural property heritage and to allow, once Canada joined the 1970 Convention, respect of Canada's international cultural property obligations. The Act is implemented through five activities which form the components of the MCPP, and designated roles for Canada Border Service agents.

Four of the program's five components – designation, certification, export controls, grants – are interrelated and interdependent. The evidence from the evaluation indicates that the MCPP continues to be relevant to help preserve significant cultural property so that it is accessible to current and future generations of Canadians.

Canadian cultural institutions continue to experience severe funding constraints and have limited acquisitions budgets. Many can only acquire objects through donations. The MCPP's most utilized component is certification, which enables taxpayers to receive tax benefits based on fair market values for donating or selling cultural property of “outstanding significant and national importance” (OS/NI) to institutions that have been designated by the program.

The evaluation evidence also indicates that not only it is important for Canada to continue to support the principles of the 1970 UNESCO *Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property*, the country continues to meet its obligations. There is a strong ongoing rationale for continuing with our efforts to prevent the illegal international trade in movable cultural property. Furthermore, it is important for Canada to respect such international treaties.

#### 6.1.2 Performance – Achieving Expected Outcomes

Overall, the MCPP continues to make progress in achieving its central outcome of enabling designated institutions to have opportunities to acquire and preserve significant cultural property. This success is largely due to the influence of the tax certification component; the grants component and export controls are having a lesser impact. The program does not track the extent to which Canadians are accessing the cultural property that has been preserved. Finally, while there are a few instances where cultural property that has been illegally imported into Canada has been returned to the country of origin, it is not possible to fully assess the program's performance in this regard.

The conclusions of the evaluation with respect to each of the program's intended outcomes are summarized below.

**The MCPP's certification component continues to have a strong impact in building collections of significant cultural property in designated Canadian institutions.** During the evaluation period an average of \$145 million in cultural property per year was deemed to be

certified as OS/NI by the CCPERB and tax certificates were issued to owners. Virtually all of the certified collections/objects are ultimately donated or sold to designated institutions. The program does not monitor how institutions are actually using the certified objects. 90% of surveyed institutions agreed that tax incentives are important to their donors' or sellers' decisions to donate or sell their cultural property.

While an annual average of 570 applications for certification were determined by the Board during the evaluation period, the volume of applications was considerably lower than in previous years. This is somewhat surprising given the importance of donations to cultural institutions and the attractiveness of tax incentives to donors. Several factors are likely at play. A major issue may be capacity constraints within institutions as a result of ongoing funding constraints. Also, there has been a trend for institutions to combine multiple objects/collections in a single application. There may also be a general uncertainty within institutions about the nature and extent of the available tax benefits. While the program has made a concerted effort to improve program delivery and surveyed designated institutions were favourable in their ratings of several aspects of delivery, they identified burden and turnaround time as issues. Archives took particular issue with the perceived onerous requirement to arrange and describe fonds to the required level of detail.

**Export delays imposed by the CCPERB resulted in only a handful of items being acquired by institutions with the assistance of MCPP grants, in part because only a very small number of objects are refused export on the basis of their significance.** The purpose of export controls is to ensure that, prior to the export of a nationally significant object, designated institutions are aware of the impending loss and have the opportunity to purchase. While a large volume of export permit applications are processed by the Canada Border Services Agency each year, the CCPERB hears only about ten export appeals and in most cases confirms that the objects are OS/NI and imposes export delays. Of the total of 33 export delays imposed by the Board over the four years covered by the evaluation, only 10 items were acquired by designated institutions (4 with MCPP grant assistance and 6 without the need for it). In addition, the program is not able to assess the extent to which valuable cultural property may be leaving the country, thus avoiding export controls.

**It is not possible to fully assess the performance of import controls.** The number of files opened by the program on suspected illegal imports of cultural property (following referrals from the CBSA) declined substantially from the previous evaluation period. A total of five returns were made to other countries during the evaluation period. Over the years, a few of these cases garnered substantial attention in the international press. It is not possible to determine whether the decline in the number of suspected illegal imports reflects a lower enforcement effort or fewer attempts to illegally import objects into Canada. However, it is reasonable to conclude that other priorities at the border (e.g., terrorism, drugs, tobacco) have translated into a decline in the number of suspected illegal import of cultural property cases.

**While a considerable amount of cultural property has been preserved through the program, the extent to which this cultural property is being accessed by Canadians is unknown –** As outlined above, the MCPP continues to support the preservation of a considerable amount of significant cultural property each year. All key informants and the vast majority of surveyed designated institutions agreed that the MCPP is having an impact on its ultimate outcome pertaining to access. However, no requirements are in place to measure Canadians' access to

cultural properties donated through certification: either public awareness of, or the number actually exhibited (versus being stored) or otherwise made accessible to the public. This issue has been raised by past evaluations.

**Improvements are required in monitoring and reporting** – The main monitoring effort has been a self-assessment survey of Category “A” designated institutions to collect information on their collections care practices. Most of these institutions received designation in the early years of the program. However, analysis of this survey has been delayed and the results are not yet available. There is a continuing risk to the program and to the government in that certified objects may be housed in institutions that are not in compliance with today’s accepted practices.

Internal and external reporting by the program is hampered by various IM/IT issues as discussed in this report. The program’s annual report on the administration of the Act would benefit from a discussion of external trends and the presentation of information on performance.

### **6.1.3 Performance – Efficiency and Economy**

**The evidence suggests that the program may be under-resourced although a capacity assessment study would be required to determine the amount of resources required given workload demands** - Over the evaluation period actual MCPP expenditures were consistently well below budget: actual expenditures averaged \$1.885 million versus an average budget of \$2.502 million. This was largely due to a lower volume of grant expenditures than budgeted. The number of grant approvals declined during the evaluation period. Salary expenses were above budget each year, while O&M expenses were under budget. Program expenses (salaries and O&M) have been remarkably stable going all the way back to 1999-2000. MCPP staff tended to agree that there have been insufficient resources devoted to the certification process over the years, due to the considerable policy demands, the considerable work required to support the Board meetings (and the increased level of due diligence associated with the review of certification applications), etc. Several staff members talked about a chronic problem in that they have little time to design and implement all of the required process improvements and have limited time to devote to stakeholder communications/outreach activities. A restructuring of resources that occurred in July 2014 has helped to partially resolve the various HR issues. However, there may still be an issue of insufficient resources (note that the certification component is now the responsibility of the ATSSC). This issue would require further study.

**While costs have remained relatively constant over the years, the number of certifications has declined, due to several factors.** A basic measure of operational efficiency (productivity) is cost per unit of output. The annual cost per certification has increased over the years: costs have remained relatively constant while the number of certifications has declined substantially. The decline is due to several factors, as described above. While the program’s cost per application has increased, the complexity of the process and the applications has increased as well, requiring more staff time to be devoted to processing each application.

### **6.1.4 The Way Forward**

The Movable Cultural Property Program will celebrate its fortieth anniversary in 2017. While some might question whether such a longstanding program is still required, culturally significant

objects will continue to become available for donation to Canadian institutions. Cultural property is always being created, aging and coming onto the market from private hands. And the illicit trafficking internationally in movable cultural property continues to increase, thus making it necessary for Canada to continue to respect its international obligations under the 1970 UNESCO Convention.

PCH will continue to administer the other four components of the MCPP. PCH, the ATSSC and the CCPERB along with the other federal delivery partners make the MCPP a truly “horizontal” program. The discussions inherent in such a partnership may stimulate PCH to review the structure of the four remaining MCPP components in support of the government’s accountability under the Act, in a time of fiscal difficulty for cultural institutions.

**6.2 Recommendations and Management Response**

Four program components: designation, export controls, grants and import controls remain with PCH since November 1, 2014. The certification component has been transferred to ATSSC in the Justice portfolio.

The following five recommendations emerge from the evaluation findings, and address the components remaining at PCH:

<b>Recommendation 1 – Designation and Export Control</b>
<p><b>Recommendation 1:</b> The Assistant Deputy Minister of the Citizenship, Heritage and Regions Sector should continue its work on several MCPP process and program improvements, including:</p> <ul style="list-style-type: none"> <li>➤ Replace the paper applications for export permits with a more client-friendly alternative, and study the replacement of the outdated Summa system used to manage export permit data.</li> <li>➤ Track the time required to analyse applications for designation over a period of two years to verify the new service standard and, if necessary, examine possible modifications to the process.</li> <li>➤ Informed by the survey of designated institutions, proceed with a risk-based assessment of previously-designated Category A institutions’ compliance with designation criteria.</li> </ul>
<b>Statement of Agreement /Disagreement</b>
<b>Heritage Policy and Programs Branch Management agrees with this recommendation.</b>
<b>Management Response</b>
<p>While paper application forms for export permits will remain available on request, the Program is moving to online applications, currently estimated to be completed by the end of summer of 2016.</p> <p>The Program is actively advancing the replacement of the Summa system to a new system as part of a larger departmental initiative. It is currently expected that the migration process will be completed by March 31, 2017.</p>

Processing time for designation applications will be tracked over the prescribed period and measured against the recently-introduced service standard in order to identify any improvements that can be made.

Based on analysis of the results of the survey of designated institutions, the Branch will undertake necessary follow-up and develop a long-term strategy to monitor continued compliance with the required criteria.

Deliverable(s)	Timelines	OPI
Export permit application available as a fillable pdf document online.	Completion (contingent on completion of migration of departmental website to Canada.ca platform) by December 31, 2016.	Senior Director, Heritage Policy and Programs
Following a decision on whether Summa will be migrated, the Business Case will be updated or revised. If Summa is not migrated, the program will study alternative options for a replacement and make recommendations to senior management.	<p><b>Scenario 1: Decision by June 2016 to migrate SUMMA to new system.</b> Completion (of migration) by March 31, 2017.</p> <p><b>Scenario 2: Decision by 2016 to not migrate Summa to new system.</b> Completion (recommendations to senior management for alternative) by September 30, 2016.</p>	Senior Director, Heritage Policy and Programs
Processing time for designation applications will be tracked over two years and any necessary steps taken to improve turnaround times.	Completion by September 30, 2017.	Manager, MCPP Designation
A long-term strategy for monitoring compliance of designated “Category A” institutions will be developed and implemented.	Completion by March 31, 2017.	Manager, MCPP Designation

## Recommendation 2 – Grants

**Recommendation 2:** To maximise the impact of the MCPP grant component, the ADM should: first review the expenses considered eligible; and second, promote the MCPP grant component to ensure its availability is widely known.

### Statement of Agreement /Disagreement

**Heritage Policy and Programs Branch Management agrees with this recommendation.**

### Management Response

MCPP is a demand driven program. As a result the number of applications for grants varies year to year.

The Program will examine the expenses considered eligible to identify whether there are any options to further maximize the access and use of available grants by designated cultural institutions, including reviewing the effectiveness of communication about assessment criteria (see Recommendation 3).

Deliverable(s)	Timelines	OPI
Expenses considered eligible will be examined to determine whether they require adjustment in order to maximize impact of the MCP grant component.	Completion by September 30, 2016.	Manager, MCPP Grants
A strategy to promote the availability of, and any changes to, MCCP grants through relevant Heritage Service Organizations will be developed	Completion by December 31, 2016	Senior Director, Heritage Policy and Programs Branch

## Recommendation 3 – Communications, Grants

**Recommendation 3:** The Assistant Deputy Minister, Citizenship, Heritage and Regions Sector should increase the program’s outreach and communication activities aimed at:

- Improving the program website.
- Increasing designated institutions’ knowledge about the availability and purpose of grants in order to ensure that organizations are aware of the availability of grants to support acquisitions that are either the result of an export delay or available for sale on the international market.
- Assuring regular communications with stakeholders.



**Statement of Agreement /Disagreement**

**Heritage Policy and Programs Branch Management agrees with this recommendation**

**Management Response**

Steps will be taken to improve the program website to ensure that information is clear and accessible, including information related to the availability and purpose of MCPP grants.

Methods of regular communication with stakeholders will be reviewed to identify any options for improvement within existing resources.

Deliverable(s)	Timelines	OPI
<p>Accuracy and clarity of program information currently on the website will be assessed in the context of a general communication review of program information.</p> <p>Implementation of any improvements will take place after website migration.</p>	<p>Completion (contingent on completion of migration of departmental website to Canada.ca platform) by December 31, 2016.</p>	<p>Senior Director, Heritage Policy and Programs</p>
<p>Communication with stakeholders will be reviewed in the context of a general communication review for the program. Particular attention will be paid to communications about the availability of MCPP grants. (See also # 2 and # 5).</p>	<p>Completion by December 31, 2016.</p>	<p>Senior Director, Heritage Policy and Programs</p>

**Recommendation 4 – Performance Measurement**

**Recommendation 4:** In consultation with MCPP delivery partners, the Assistant Deputy Minister of the Citizenship, Heritage and Regions Sector should improve performance measurement and reporting:

- Revise the program logic model and associated narrative, making clear PCH’s accountability for reporting on the Act, and the roles and accountabilities of other government departments.
- Prepare a PMERS document, which would include a review of all key performance indicators.

- Explore potential mechanisms for demonstrating the program’s ultimate outcome pertaining to access by Canadians to certified cultural property.
- Incorporate performance information in the annual report on the administration of the Act, based on the key performance indicators contained in the program’s PMERS.

**Statement of Agreement /Disagreement**

**Heritage Policy and Program Branch Management agrees with this recommendation.**

**Management Response**

The program logic model and associated narrative will be reviewed and improved. It should be noted that, with the exception of the transfer of the Secretariat to the Canadian Cultural Property Export Review Board from the Department to the Administrative Support Services of Canada (ATSSC), there are no changes to roles and accountabilities, which are determined by the Act.

A PMERS document will also be developed.

Options will be developed on possible mechanisms to demonstrate the Program’s ultimate outcome related to access.

Following development and approval of the PMERS, relevant performance information will be incorporated into future Annual Reports to Parliament.

<b>Deliverable(s)</b>	<b>Timelines</b>	<b>OPI</b>
A revised logic model and associated narrative will be developed.	Completion by June 30, 2016.	Senior Director, Heritage Policy and Programs
A PMERS will be developed.	Completion by December 31, 2016.	Senior Director, Heritage Policy and Programs
Potential mechanisms for demonstrating access to certified cultural property will be examined and discussed with the ATSSC and recommendations made to Branch management.	Completion by March 31, 2017.	Senior Director, Heritage Policy and Programs
Pending approval of the PMERS, relevant performance information will be incorporated into the 2016-2017 Annual Report to Parliament.	Completion through tabling of the 2016-2017 Annual Report in Parliament by April 1, 2018 in order to provide performance information for a full year following adoption of the PMERS.	Senior Director, Heritage Policy and Programs

**Recommendation 5 – Management of partnerships to support PCH accountability for the Act**

**Recommendation 5:** Given the Minister of Canadian Heritage’s continued responsibility for all aspects of the *Canadian Cultural Export and Import Act*, the Assistant Deputy Minister of the Citizenship, Heritage and Regions Sector should insure careful management of the partnerships among PCH, the ATSSC, the CCPERB and other federal delivery partners to achieve the program’s objectives in the years ahead.

- Establish strong inter-organizational communications.
- Maintain clear roles and responsibilities.

**Statement of Agreement /Disagreement**

**Heritage Policy and Programs Branch Management agrees with this recommendation.**

**Management Response**

A range of mechanisms are already in place to facilitate strong inter-organizational communication, including a Memorandum of Understanding (MOU) with the ATSSC. The MOU will be reviewed to determine whether any updates or improvements are necessary in order to maintain strong communication. Meetings with counterparts at the Canada Border Services Agency are also held 2-3 times annually (in addition to ongoing communication as necessary).

Roles and responsibilities of the Department and all federal delivery partners are clearly specified in the Act. Communication tools such as program guides will be reviewed to ensure that those roles and responsibilities are clearly communicated to stakeholders and the public.

<b>Deliverable(s)</b>	<b>Timelines</b>	<b>OPI</b>
Review of the MOU with the ATSSC, with recommendations for any update or revisions made to Branch management.	Completion by June 30, 2016.	Senior Analyst and Manager, Heritage Policy and Legislation
Program communication material will be reviewed in the context of a general communication review for the program and adjusted as necessary to ensure roles and responsibilities of all federal parties are clearly indicated. (See also # 2 and #3)	Completion by December 31, 2016.	Senior Director, Heritage Policy and Programs

## ***APPENDICES***

## APPENDIX A: EVALUATION FRAMEWORK

Evaluation Question	Indicators	Data sources	Method of Collection
<b>Relevance</b>			
1. Assessment of the continued need for the program			
a. Is there a need for the MCPP in order to ensure that significant objects are retained and repatriated/patriated?	<ul style="list-style-type: none"> <li>Documented original rationale for MCPP</li> <li>Perspectives of key informant and experts on the extent to which the MCPP meets its international obligations</li> </ul>	<ul style="list-style-type: none"> <li>Program documents</li> <li>Government officials involved /familiar with MCPP</li> <li>GoC official documents</li> <li>Former MCPP evaluation and audit reports</li> <li>Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Data and file review</li> <li>Key informant interviews</li> <li>Literature review</li> </ul>
b. To what extent does the MCPP continue to meet its international obligations under the 1970 UNESCO Convention?			<ul style="list-style-type: none"> <li></li> </ul>
2. Assessment of the alignment with government priorities			
Is the MCPP aligned with PCH strategic priorities and federal government priorities?	<ul style="list-style-type: none"> <li>Alignment of MCPP with recent/current PCH strategic priorities</li> <li>Alignment of MCPP with recent/current federal government priorities</li> <li>Perspectives of key informants on the alignment of the MCPP with federal government priorities and departmental strategic outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Program documents</li> <li>Government officials involved /familiar with MCPP</li> <li>GoC official documents</li> <li>Former MCPP evaluation and audit reports</li> <li>Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Data and file review</li> <li>Key informant interviews</li> <li>Literature review</li> </ul>
3. Assessment of the alignment with federal roles and responsibilities			
Is the MCPP aligned with federal roles and priorities?	<ul style="list-style-type: none"> <li>Alignment of federal legislative mandate with federal role in the MCPP</li> <li>Extent to which the MCPP is aligned with federal roles and responsibilities</li> <li>Public policy that led to the intervention in this sector</li> <li>Perspectives of key informants and experts on the appropriateness of the federal role in the MCPP</li> </ul>	<ul style="list-style-type: none"> <li>Program documents</li> <li>PCH officials</li> <li>GoC official documents</li> <li>Former MCPP evaluation and audit reports</li> <li>Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Data and file review</li> <li>Key informant interviews</li> <li>Literature review</li> </ul>

Evaluation Question	Indicators	Data sources	Method of Collection
<b>Performance</b>			
4. Effectiveness - Assessment of progress toward expected outcomes with reference to performance targets and program reach, program design, including the linkage and contribution of outputs to outcomes			
<b>At the Immediate level</b>			
Are certified cultural properties donated/sold by a private interest to designated collecting institutions?	<ul style="list-style-type: none"> <li>• Trends in the volume and of objects/collections certified.</li> <li>• Perspective of key stakeholders, delivery partners and experts on the effectiveness of the MCPP's certification and designation activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
To what extent do designated collecting institutions have opportunities to acquire significant cultural property?	<ul style="list-style-type: none"> <li>• Trends in the number and type of export delay period established.</li> <li>• Trends in the number of grants awarded to key stakeholders that resulted in a purchase of cultural property.</li> <li>• Perspective of key stakeholders, delivery partners and experts on the effectiveness of the MCPP's grants and export control activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
IMPORT- To what extent were return procedures initiated?	<ul style="list-style-type: none"> <li>• Trends in the number of assessments relating to possible illegal imports of cultural property.</li> <li>• Trends in the number of return processes</li> <li>• Perspective of key stakeholders, delivery partners and experts on the effectiveness of the MCPP's import activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>

<b>At the Intermediate level</b>			
To what extent is significant cultural property of OSNI repatriated or permanently retained in Canada?	<ul style="list-style-type: none"> <li>• Trends in the number of objects protected/preserved through certification, grants and export delay.</li> <li>• Perspective of key stakeholders, delivery partners and experts on the effectiveness of the MCPP's certification, designation, grants and export activities</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
IMPORT - To what extent are cultural property illegally imported into Canada returned to country of origin?	<ul style="list-style-type: none"> <li>• Trends in the number of returns</li> <li>• Perspective of key stakeholders, delivery partners and experts on the effectiveness of the MCPP's import activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
To what extent is significant cultural property preserved by designated collecting institutions so that they may be accessible for current and future generations?	<ul style="list-style-type: none"> <li>• Perspective of key stakeholders, delivery partners and experts on the effectiveness of the MCPP's certification, designation, grants and export activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
To what extent does Canada respect its international cultural property obligations?	<ul style="list-style-type: none"> <li>• Trends in the number of objects deemed to be illegally imported under the CPEIA that are returned</li> <li>• Perspective of key stakeholders, delivery partners and experts on the effectiveness of the MCPP's import activities.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>

<p>Have there been any positive or negative unexpected outcomes or impacts from the MCPP?</p>	<ul style="list-style-type: none"> <li>• Documentary evidence of positive or negative unexpected outcomes or impacts as a result of the MCPP</li> <li>• Perspective of key stakeholders, delivery partners and experts on unexpected outcomes that could be attributed to the MCPP</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
<p>To what extent did the project outputs contribute to the achievement of the intended outcomes?</p>	<ul style="list-style-type: none"> <li>• Documentary evidence supporting alignment among the MCPP objectives, activities, outputs and expected results</li> <li>• Perspective of key stakeholders, delivery partners and experts on the relative consistency among the MCPP objectives, activities, outputs and expected results.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
<p>5. Demonstration of Economy<sup>43</sup> and Efficiency<sup>44</sup> - Assessment of resource utilization in relation to the production of outputs</p>			
<p><b>Economy</b> – To what extent were the program resources optimized?</p>	<ul style="list-style-type: none"> <li>• Level of discrepancy between planned and utilized financial resources as a whole and for the various activities</li> <li>- Budgeted costs and resources used for CCPERB related activities (certification, export and appeals)</li> <li>- Budgeted costs and resources used for the ministerial components (grants, designation, export control, import control)</li> <li>• Trends in the number of actions for recovery in civil court (import)</li> <li>• Perspectives of key informant on the costs allocated to the program to perform certification, designation, grants and export control activities while assuring quality and respecting timelines.</li> <li>• Perspectives of key informant on the costs allocated to the program to perform import controls activities</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>

<sup>43</sup> Respected budgeted costs; context, risks and assumptions.

<sup>44</sup> We are referring to operational efficiency at the output level.



Efficiency - To what extent were the program outputs produced with the given amount of resources?	<ul style="list-style-type: none"> <li>• Total cost of the MCPP initiative</li> <li>• Cost breakdown (cost per the MCPP activities/outputs)</li> <li>• Administrative costs vs. total costs</li> <li>• Number of FTEs and cost</li> <li>• Relationship between outputs produced, resources consumed and outcomes</li> <li>• Perspective of key stakeholders, delivery partners and experts on the efficient use of resources by the MCPP in relation to outputs.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
<b>Design and Delivery of the program</b>			
How does the program compare to programs of other countries with similar legislative obligations?	<ul style="list-style-type: none"> <li>• Comparison of use/allocation of resources with programs of other countries with similar legislative obligations for imports and exports</li> <li>• Comparison use/allocation of resources with programs of other countries with similar tax incentives for cultural property</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Experts/ Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
Were the roles and responsibilities of the various co-deliverers/stakeholders clear and appropriate?	<ul style="list-style-type: none"> <li>• Roles and responsibilities clear amongst the various co-deliverers/stakeholders</li> <li>• Perspectives on whether the roles and responsibilities are clear and appropriate</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Delivery partners</li> <li>- Former MCPP evaluation and audit reports</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
How effective have been new administrative tools to support the Board and other clients?	<ul style="list-style-type: none"> <li>• effectiveness of client-facing administrative tools developed since January 2010</li> <li>• effectiveness of administrative tools supporting the CCPERB developed since January 2010</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Delivery partners</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>
How effective are monitoring and reporting?	<ul style="list-style-type: none"> <li>• Effectiveness (cost, time quality) of program reports</li> <li>• Perspectives of key informant on effectiveness of monitoring and reporting.</li> </ul>	<ul style="list-style-type: none"> <li>- Program documents</li> <li>- Government officials involved /familiar with MCPP</li> <li>- GoC official documents</li> <li>- Former MCPP evaluation and audit reports</li> <li>- Delivery partners</li> </ul>	<ul style="list-style-type: none"> <li>- Data and file review</li> <li>- Key informant interviews</li> <li>- Literature review</li> </ul>

# APPENDIX B: BIBLIOGRAPHY

## Laws & Regulations

*Cultural Property Export and Import Act* R.S.C., 1985, c. C-51

*Cultural Property Export Regulations* C.R.C., c 449

## Government of Canada Publications

Federal Budgets 2011, 2012, 2013, 2014

*Speech from the Throne* 2013

## Department of Canadian Heritage Publications

*Departmental Performance Reports* for 2010-11, 2011-12, 2012-2013

*Reports on Plans and Priorities* for 2012-2013 , 2013-2014, 2014-2015

*Summative Evaluation of the Movable Cultural Program Final Report*. OCAEE, January 2010

*Cultural Property Export and Import Act Annual Reports* for 2011-12 + 2012-13, 2010-11 and 2013-14

*PCH 2012-13 Annual Report on the State of Performance Measurement of Programs in Support of Evaluation*.

*Government of Canada Survey of Heritage Institutions 2011* (2014)

MCP on-line, on [PCH-GC.CA](http://PCH-GC.CA)

*MCP On-line User Guide*

*Guidelines – Movable Cultural Property Grants*

*Guide for Preparing Applications for Certification*

*CCPERB MCP Online User guide for the certification of cultural property for income-tax purposes* (May 2013)

*Describing Archival Material*

*Outstanding Significance and National Importance: (OS/NI) Writing an Effective OS/NI Justification for the Certification of Cultural Property by the Canadian Cultural Property Export Review Board*.

*CCPERB Privacy Statement*

*An Introduction to Outstanding Significance and National Importance (OS/NI): A Guide for Members of the Canadian Cultural Property Export Review Board*. (February 2014)

## **Department of Canadian Heritage Internal Documents**

Terms & Conditions, Museums Assistance Program, in effect 1 April 2011.

Evaluation of the Movable Cultural Property Program - Terms of Reference. Evaluation Services Directorate November 26 2014.

*Business Continuity Framework and Memorandum of Understanding concerning the Administration of the Cultural Property Export and Import Act between the Department of Canadian Heritage and the Administrative Tribunals Support Service of Canada.* 17 October 2014.

GCIMS files: 2010-11 – file 13191, 2011-12- file 141759, 2012-13 – file 144505, 2013-14 – file 155159, 2013- 31 Oct 2014 – file 159724.

*Gs and Cs Modernization Initiative (GCMI) - User Experience Model - Movable Cultural Property Grants.*

*MCP Import and Export Database Business Case* (Version 10, 3 May 2011).

Canadian Conservation Institute, Phone Interviews, May 2014.

## **Documents from Other Federal Departments**

Canada Border Services Agency D-Memo, D-19-4-1.

Canada Revenue Agency Annual Report 2013-2014.

*Memorandum of Understanding for the Release of Information relating to the valuing of Cultural Property between the Department of National Revenue, the Department of Canadian Heritage and the CCPERB, 1998.*

*Memorandum of Understanding between the RCMP and the Department of Communications, 1982.*

## **MCP Internal Documents**

Movable Cultural Property Program draft PMERS March 2011.

Briefing Note from MCP, August 2013.

Project Charter, Designation Modernization Project, July 2012, unsigned.

Grant Procedure Overview.

Closing Grant Files.

Anatomy of the Export Appeal Process under the *Cultural Property Export and Import Act (CPEIA)*.

Procedures for Managing Import Files.

Information Sheet and Notice of Detention of Goods for Canadian Heritage.

Notice of Detention.

Recommendation to Release (now in use in an e-mail).

Civil Action of Recovery Checklist.

CCPERB Policy Issues (2013).

Tracking Document: Active holds and Redeterminations.

Decision Matrix (CCPERB Record of Decisions).

Certification Reporting Tool.

Disclosure Statement - Return of Protected Information.

Pick List – Board Decisions.

Policy on Purchase Price.

*MCP Short Facilities Evaluation Form for Review of Category A Designated Institutions*