

Executive Order on Museums, etc.

Executive Order No. 1512 of 14 December 2006 (in force)

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## Executive Order on Museums, etc.

Pursuant to section 12 (1) and (2), section 14 (2), section 15 (6), section 15a (2), section 16, (4), section 26 (3), section 27 (10), section 29 (5) and section 32 (2), section 34 and section 38 (2) of the Museum Act, cf. Consolidated Act No. 1505 of 14 December 2006, the following is laid down:

### Part 1

#### *Principal museums owned by the state*

**1 – (1)** The principal museums owned by the state shall render professional assistance to the other museums owned by the state and to museums subsidised by the state, cf. section 12 of the Museum Act.

(2) The scope and nature of the assistance pursuant to subsection (1), including the performance of preservation tasks, shall be determined by the Heritage Agency of Denmark. Within the area of natural history, the regulations shall be made in consultation with the Minister for Science, Technology and Innovation.

## Part 2

### *Museums subsidised by the state*

**2 – (1)** The museum's area of responsibility shall be defined in terms of subject, time and, as far as possible, geography.

(2) Changes to a museum's area of responsibility shall be approved by the Heritage Agency of Denmark. Before approval of a change by the Heritage Agency of Denmark, the change shall be submitted for consultation with the local Museum Councils, if such Councils have been set up, and any other museums affected by the proposal. The Heritage Agency of Denmark may raise questions of changes to the area of responsibility with the governing body of the museum, e.g. as a result of new museum initiatives.

**3 – (1)** The statutes of the museum shall contain provisions on the name and ownership of the museum, on its objective and area of responsibility, on the composition and election of the governing body, on budgets and work plans, accounts, auditing and reports, on amendments to the statutes and on any discontinuation of its activities.

(2) The statutes of the museum shall be approved by its main contributor of funds, which shall mean the state or local authority granting the most substantial annual operational subsidy. If no local authority is running or granting subsidies to the museum, the statutes shall be approved by the Heritage Agency of Denmark. If a plurality of local authorities pay equal subsidies, it shall be agreed by the parties concerned who is to approve the statutes.

**4 – (1)** The head of the museum shall have a relevant university education or shall have acquired similar professional qualifications in another way.

(2) The governing body of the museum shall keep the Heritage Agency of Denmark informed of who is in charge of the day-to-day management and who is handling the main responsibilities of the museum.

**5 – (1)** During the first year of a new local authority electoral period, the museum shall draw up a work plan according to the guidelines laid down by the Heritage Agency of Denmark. The work plan shall give an account of the museum's planned initiatives concerning collection (including acquisitions), registration, conservation, research and dissemination. The work plan shall be submitted by 15 December to the Heritage Agency of Denmark and to the authority in charge of approving the statutes of the museum, cf. section 3.

**6 – (1)** The requirements in terms of the professional standard of the museum concern collection, registration, conservation, research and dissemination.

(2) The requirements in terms of the standard of buildings shall be seen in the context of the museum's storehouse and security conditions, among other things.

**7 – (1)** The objects in the museum's collection shall be registered as soon as possible after receipt, and reports to the central registers shall be prepared as soon as possible after that. Registers of the museum's collections, etc. shall be accessible to the general public in accordance with the guidelines of the Heritage Agency of Denmark in this respect. The museum's reports to the central registers shall be prepared in accordance with the guidelines of the Heritage Agency of Denmark in this respect.

**(2)** Objects that have not yet been registered shall form part of the museum's collection when their incorporation has been decided by the head of the museum and the objects are in the care of the museum.

**(3)** As regards the natural history museums, acquired objects shall be registered in the museum's collection as soon as possible after preparation.

**8 – (1)** Disposal of objects from the collections shall mean donation, exchange, sale and discarding.

**(2)** Disposal of objects from the collections to institutions other than museums owned or subsidised by the state shall be subject to the approval of the Heritage Agency of Denmark. The Agency may permit disposal in special circumstances.

**9 – (1)** Free school visits shall comprise students in primary, lower secondary and upper secondary school, including higher commercial education, adult education and basic vocational education, higher preparatory examination students and continuation school students. The museum may require such visits to be booked in advance and limited to a specific period during the opening hours of the museum.

**10 – (1)** Budgets, including budget comments, annual accounts and reports shall be submitted annually to the authority in charge of approving the statutes of the museum, cf. section 3.

**(2)** All museums receiving state subsidies pursuant to the Museum Act shall annually submit budgets, including budget comments, annual accounts and reports, to the Heritage Agency of Denmark that are drawn up in accordance with the guidelines laid down by the latter. Conservation centres receiving state subsidies pursuant to the Museum Act shall annually submit budgets, including budget comments, annual accounts and reports to the Heritage Agency of Denmark.

**(3)** The annual accounts and the annual report shall be submitted in two copies to the Heritage Agency of Denmark by 15 June of the following year. For museums owned by local authorities, the deadline for submission to the Heritage Agency of Denmark is 15 October of the following year, however. The museums and conservation centres shall annually submit budgets, including budget comments, to the Heritage Agency of Denmark by 31 January of the financial year.

**(4)** As regards accounting and auditing, reference shall be made to the regulations made by the Minister for Culture pursuant to section 34 of the Museum Act.

### Part 3

#### *State subsidy calculation*

**11 – (1)** The Heritage Agency of Denmark shall calculate the ordinary annual state subsidy to approved museums within the framework of the appropriation in the Finance Act for this purpose.

(2) The ordinary annual subsidy shall be calculated on the basis of the following:

- i) the framework of the appropriation for this purpose,
- ii) the minimum non-state subsidy for individual museums which forms part of the basis for calculation of the subsidy, and
- iii) the maximum for the non-state subsidy for individual museums which forms part of the basis for calculation of the subsidy.

(3) The subsidy shall be calculated on the basis of the audited accounts for the financial year 2 years prior to the year of the appropriation. If the accounts are not submitted within the deadlines pursuant to section 10 (3), and they are not made available on demand, the Heritage Agency of Denmark shall fix the subsidy at maximum 50% of the subsidy granted in the previous year, as they see proper. Reference is made to the calculation example in the Annex.

(4) Subsection (2) (ii) shall not apply to certain museums subsidised by the state, cf. section 15 (5) of the Museum Act. In such cases the Heritage Agency of Denmark shall fix the calculation of the state subsidy.

(5) The museum's first appropriation year shall be the year it is approved to receive state subsidies. If at the time of the approval no audited accounts are available from 2 years prior to the year of the appropriation, the subsidy shall be calculated on the basis of audited accounts from 1 year prior to the year of the appropriation or on the basis of a budget for the first year of appropriation.

**12 – (1)** In order to obtain and retain subsidies according to the provision of section 15 (4), 2nd clause, of the Museum Act, a joint operating agreement shall exist between the local authorities in the collaboration concerning the financial basis for the operation of the museum. The above special subsidy provision implies that the subsidy from each of the participating local authorities shall be considered separately. The provisions of section 15 (1) and (4) of the Museum Act on general state subsidies for the operation of the museum shall thus apply to the subsidies of both the museum's local authority of domicile and the local authorities in the collaboration. Rent, mortgage interest and mortgage payments shall be set off in the subsidies of the local authority of domicile. Besides the subsidies granted by a local authority in the collaboration, other non-state subsidies are included in the basis for calculation in addition to the subsidies of the local authority of domicile. Reference is made to the calculation example in the Annex.

(2) The joint operating agreement shall fulfil the following provisions:

- i) The agreement shall be entered into by all local authorities involved.
- ii) The agreement shall not be limited to individual parts of the museum, but shall include the subsidies of the participating local authorities to the operation of the entire museum.
- iii) The museum which the agreement concerns shall be one unit under one Management and one governing body. The work plan, budget and accounts shall comprise the

entire museum. Operational subsidies and income may not be reserved for individual parts of the museum, but shall be included in the overall operation, and individual parts (branches) may not be operated under an independent management.

iv) In order to release any state subsidies, the agreement shall be approved by the Heritage Agency of Denmark, and the governing body and head of the museum shall make statements concerning the fulfilment of item (iii).

(3) In connection with the merger of local authorities which, until 31 December 2006, were jointly operating a museum, cf. the section 15 (4), 2nd clause, of the Museum Act, and which, as of 1 January 2007, constitute one local authority, the raised maximum applying till then to the basis for calculation of the state subsidy to the museum may be retained, cf. section 21 (1).

**13 – (1)** Within the framework of the appropriation in the Finance Act for this purpose, the Heritage Agency of Denmark may grant special operational subsidies to museums subsidised by the state which previously received subsidies from counties, cf. section 21 (1) and section 15a (1) of the Museum Act.

**14 – (1)** Applications for operational subsidies under the special subsidy scheme pursuant to section 16 (1) of the Museum Act shall be filed with the Heritage Agency of Denmark with a view to submission of a recommendation to the Minister for Culture. On considering the application, the Heritage Agency of Denmark shall attach importance to whether it concerns new and major initiatives of significant professional interest. Importance shall also be attached to the nature of the collection, its research potential, special dissemination efforts and whether the initiative is of significant national or international interest.

(2) Applications for subsidies from the amount for distribution pursuant to section 16 (2) of the Museum Act shall be filed with the Heritage Agency of Denmark. The amount for distribution may be used, *inter alia*, to subsidise the acquisition of works of art, the strengthening of specialist professional areas such as modern cultural history and scientific tasks, the performance of joint tasks and particular conservation efforts. In addition, subsidies may be granted to joint museum institutions.

(3) Applications for development subsidies pursuant to section 16 (3) of the Museum Act shall be filed with the Heritage Agency of Denmark. Development subsidies may be used to promote particular initiatives, including projects that apply across museums and museum categories.

#### Part 4

##### *Conservation centres, etc.*

**15 – (1)** Within the framework of the appropriation in the Finance Act for this purpose, the Heritage Agency of Denmark may grant special operational subsidies to conservation centres which previously received subsidies from counties, cf. section 21 (1) and section 16 a (1) of the Museum Act.

## Part 5

### *Securing the cultural and natural heritage in connection with the preparation and carrying out of construction work, agriculture and forestry activities*

**16 – (1)** The Heritage Agency of Denmark shall lay down guidelines for assessing when it is necessary to conduct major preliminary investigations, cf. section 26 (2) of the Museum Act.

(2) In case of doubt, the Heritage Agency of Denmark shall determine the limit between major and minor preliminary investigations on a case-by-case basis.

(3) In special cases, subsidies may be granted to cover the costs for major preliminary investigations incurred by the person responsible for the construction work, agriculture or forestry activities. The Heritage Agency of Denmark shall decide on the subsidy issue as part of its consideration of the specific case.

(4) When deciding on a potential subsidy, the Heritage Agency of Denmark may emphasise whether the costs of the preliminary investigation constitute a disproportionate amount in relation to the total costs. It may also be assessed whether the construction work, agriculture and forestry activities are planned to take place in an area that has been identified as a cultural heritage area by the Heritage Agency of Denmark, cf. section 23 (4) of the Act.

(5) In unique cases, the Heritage Agency of Denmark may decide, when approving the budget for a major preliminary investigation, that the person responsible for the construction work, agriculture or forestry activities shall provide a bank guarantee or another form of security prior to commencement of the preliminary investigation. The maximum amount for which security may be required shall be the equivalent of the budgeted expenditure for the preliminary investigation that shall be defrayed by the person responsible for the construction work, agriculture or forestry activities.

(6) The approval of a budget for a major preliminary investigation shall lapse if the approval is not utilised within 1 year after it was granted to the person responsible for the construction work, agriculture or forestry activities, or if that person has not requested the museum to initiate the preliminary investigation within 1 year after the approval was granted. In special cases, however, the Heritage Agency of Denmark may decide, at the request of the person responsible for the construction work, agriculture or forestry activities, that the budget approval shall not lapse after 1 year. The request shall be made to the Heritage Agency of Denmark before expiry of the 1-year limit.

**17 – (1)** The Heritage Agency of Denmark may authorise cultural heritage museums owned or subsidised by the state to suspend work in progress that affects ancient relics or monuments pursuant to section 27 (3) of the Museum Act.

(2) The Heritage Agency of Denmark shall lay down the financial framework of individual archaeological investigations following a professional archaeological assessment.

(3) In special cases subsidies may be granted to cover the costs incurred by the person responsible for archaeological investigations. The Heritage Agency of Denmark shall decide on the subsidy issue as part of its consideration of the specific case.

(4) When deciding on a potential subsidy, the Heritage Agency of Denmark may emphasise whether the costs of the archaeological investigation constitute a

disproportionate amount in relation to the total costs. Furthermore, it may emphasise the following in its assessment:

- i) whether, prior to commencement of the construction work, agriculture or forestry activities, the person responsible obtained a statement pursuant to section 25 of the Museum Act,
- ii) whether, prior to commencement of the construction work, agriculture or forestry activities, a preliminary investigation was carried out pursuant to section 26 of the Museum Act,
- iii) whether the person responsible for the construction work, agriculture or forestry activities has attempted to the greatest extent possible to plan the specific work or activities in such a way that the need for archaeological investigations is limited as much as possible, but that archaeological investigations have to be carried out despite these efforts, and
- iv) whether the construction work, agriculture or forestry activities are intended to be carried out in an area that has been identified as a cultural heritage area by the Heritage Agency of Denmark, cf. section 23 (4) of the Act.

(5) The cultural heritage museums owned or subsidised by the state shall obtain information about the overall financial framework of the construction work, agriculture or forestry activities, which shall be passed on to the Heritage Agency of Denmark. The Heritage Agency of Denmark shall administer the subsidy scheme and inform the person responsible for the construction work, agriculture or forestry activities of the amount of any subsidy when announcing whether the archaeological investigation shall be carried out according to the approved budget.

(6) In unique cases, the Heritage Agency of Denmark may decide when approving the budget for an archaeological investigation that the person responsible for the construction work, agriculture or forestry activities shall provide a bank guarantee or another form of security prior to commencement of the investigation. The maximum amount for which security may be required shall be the equivalent of the budgeted expenditure for the investigation that shall be defrayed by the person responsible for the construction work, agriculture or forestry activities.

(7) The approval of a budget for an archaeological investigation shall lapse if the approval is not utilised within 1 year after it was granted to the person responsible for the construction work, agriculture or forestry activities, or if the investigation has not been initiated within 1 year after the approval was granted to that person. In special cases, however, the Heritage Agency of Denmark may decide, at the request of the person responsible for the construction work, agriculture or forestry activities, that the budget approval shall not lapse after 1 year. The request shall be made to the Heritage Agency of Denmark before expiry of the 1-year limit.

**18 – (1)** The Heritage Agency of Denmark may authorise natural history museums owned or subsidised by the state to suspend work in progress that affects unusual natural history objects pursuant to section 29 (2) of the Museum Act.

## Part 6

### *Insurance risk*

**19 – (1)** The Minister for Culture shall lay down detailed conditions, including deadlines for applications, minimum insured value amounts and security requirements in order for the state to assume the insurance risk pursuant to section 32 (1) of the Museum Act.

(2) The Minister for Culture shall set up a security committee whose responsibility shall be to advise on the conditions mentioned in subsection (1).

## Part 7

### *Independent institutions*

**20 – (1)** The ownership of buildings owned by county councils where museums subsidised by the state and conservation centres financed by county councils carry out their tasks shall be transferred in accordance with the provisions of Executive Order No. 877 of 16 September 2005 on the distribution of assets and liabilities, rights and obligations and employees as a consequence of the transfer of tasks as of 1 January 2007 in connection with the local government reform. The value of the buildings shall be included in the calculation of the share of the county council's net assets which, in accordance with the provisions of Executive Order No. 877 of 16 September 2005, the state shall receive pursuant to the agreement of the authorities or the decision of the distribution council.

(2) When the ownership of a building owned by a county council is transferred to an independent institution, the assets and liabilities, rights and obligations that can be attributed to the ownership of the building shall be transferred at the same time.

## Part 8

### *Presentation of accounts, etc. as a result of the local government reform*

**21 – (1)** Presentation of accounts, etc. pursuant to section 5 (2) of Act No. 562 of 24 June 2005 on amendment of the Museum Act, the Listed Buildings and Preservation of Buildings and Urban Environments Act and the Act on Church Buildings and Cemeteries of the Danish National Evangelical Lutheran Church and the repeal of the Act on Regional Specialist Cultural Environment Councils (implementing the local government reform as regards the museum area, etc.) shall be made to the Heritage Agency of Denmark. Institutions comprised by section 5 (2) (ii) and (iii) of the aforementioned Act shall submit their accounts to the Heritage Agency of Denmark by 15 June 2007.

## Part 9

### *Administration, authorisations and right to complain*

**22 – (1)** As regards administration, authorisations and right to complain, reference shall be made to the regulations made by the Minister for Culture pursuant to section 38 of the Museum Act.

Part 10

*Entry into force, etc.*

**23** – (1) The Executive Order shall enter into force on 1 January 2007. However, section 12 (3) and sections 13 and 15 shall only be in force from 1 January 2007 to 31 December 2010.

(2) Section 16 (5) and section 17 (6) shall apply to applications received by the Heritage Agency of Denmark on 1 January 2007 or later.

(3) Section 16 (6) and section 17 (7) shall apply to decisions made by the Heritage Agency of Denmark on 1 January 2007 or later.

(4) At the same time, Executive Order No. 952 of 27 November 2002 on museums shall be repealed.

*Ministry of Culture, 14 December 2006*

Brian Mikkelsen

/Malene Sthyr

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## Annex 1

### Examples of calculations to explain the subsidy system pursuant to section 15 of the Museum Act.

All examples assume a subsidy rate for the year of 39.5. The final subsidy rate depends on non-state subsidies in individual years.

#### Example 1

Calculation pursuant to section 15 (1)-(3), cf. section 11 (1)-(3) of the Executive Order.

Subsidies from local authorities	DKK 1,100,000
Non-government subsidies	DKK 300,000
Less expenses for rent/mortgage payments	- DKK 100,000
Basis for calculation of the subsidy	DKK 1,300,000
At a subsidy rate of 39.5 the state subsidy amounts to	= <b>DKK 513,500</b>

#### Example 2

In addition to the assumptions above, the museum is comprised by the provision in section 15 (4), 1st clause, of the Act on a maximum on the basis for calculation of the subsidy, which has been fixed at DKK 2,000,000 in the example.

Subsidies from local authorities	DKK 2,800,000
Non-government subsidies	DKK 400,000
Less expenses for rent/mortgage payments	- DKK 100,000
Basis for calculation of the subsidy, reduced to a maximum of DKK 2,000,000	(DKK 3,100,000)
At a subsidy rate of 39.5 the state subsidy amounts to	= <b>DKK 790,000</b>

#### Example 3

In addition to the assumptions above, an agreement has been entered into by three local authorities pursuant to section 15 (4), 2nd clause, of the Act, cf. section 12 of the Executive Order.

	Local authority of domicile (1)	local authority (2)	local authority (3)
Subsidies from local authorities	DKK 2,100,000	DKK 400,000	DKK 300,000
Non-government subsidies	DKK 400,000		
Less rent and mortgage payments	- DKK 200,000		
Basis for calculation of the subsidy	(DKK 2,300,000)		
reduced to a maximum of	DKK 2,000,000	+ DKK 400,000	+ DKK 300,000
All three local authorities, total	= DKK 2,700,000		
At a subsidy rate of 39.5 the state subsidy amounts to	= <b>DKK 1,066,500</b>		

