



108th SESSION OF THE EXECUTIVE COUNCIL
5-7 December 2005
Vienna (Austria)

DRAFT MINUTES

Appendices:

Appendix 1: Financial Report

Appendix 2: Actions followed up by Council members within the framework of the Strategic Plan

Appendix 3: List of Participants

All documents mentioned in these minutes are available at the ICOM Secretariat
Please note that underlined sections indicated items for Action/Follow-up

Alissandra Cummins, President of ICOM, welcomed the participants, as well as the partners of ICOM : Wilfried Lipp, Representative of ICOMOS ; Julia Oh, Representative WFFM, and Laurent Levi-Strauss, Representative of the Director General of UNESCO. She thanked Angelica E. Röhr, Chairperson of the Working Group on the theme for the 2007 Conference, Carl Aigner, Chairperson of ICOM-Austria, Armine Wehdorn, Miklós Cseri (Hungary) and Paal Mork (MPR), who all took part in a working session to discuss the theme for the Conference. Yani Herreman, Chairperson of the Standing Committee on International Committees, and Patrick Boylan, Chairperson of the Legal Affairs and Properties Committee, were also welcomed by the President.

Alissandra Cummins thanked Dr. Wilfried Seipel, Director of the *Kunsthistorisches Museum*, who had provided the facilities for the meeting and had greeted the Executive Council members. The President conveyed the apologies of George Abungu and Amareswar Galla, who were unable to attend this session.

1. Adoption of the agenda

The following points were added to the draft agenda:

- Definition of the word museum;
- Request to change the candidate town for ICOM 2010 ;
- ICTOP Curricula Guidelines.

2. Review of the minutes of the 107th session

The Executive Council adopted the minutes of the 107th session, held in Paris (France) from 9 to 10 June 2005. Once adopted, the report of the Treasurer will be attached as an Appendix to the minutes of the 107th session.

3. Report of the Secretary General

John Zvereff, Secretary General, gave an overview of the activities carried out within the framework of the Strategic Plan.

He reported that the Membership Service has made great efforts to encourage the creation of new National Committees, particularly by updating information and publishing existing documents on the Web site. Carla Bonomi, the Webmaster, has, in fact, expanded the Web site, with the creation and development of new sections. The web site location of the Code of Ethics now also includes the list of the Codes of Associations and Organisations related to museums and cultural heritage. In addition, new e-mail addresses were assigned to facilitate contacts with the Standing Committees and Working Groups, (the addresses use the name of the Group at « .icom.museum »).

Lysa Hochroth, Editor, and the Secretary General, drew up a draft mandate for the Working Group on Publications. The Editor also worked on the publication of the 2004 revised Code of Ethics, which will soon be available on-line. And finally, she followed up on the publication of the Study Series n° 12 (INTERCOM).

Elisabeth Jani, Documentalist, updated the bibliographical database and listed the latest acquisitions. The summaries of the last General Conferences were indexed for publication on the ICOM site. In relation to the UNESCO-ICOM Information Centre the Secretary General mentioned that he had invited UNESCO to jointly assess the future of the Information Centre, especially in relation to UNESCO's new Museum Unit

The Administrative Service continued to organise administrative meetings, manage logistics, and assist the Secretary General. John Zvereff pointed out that as a result of the growing number of Standing Committees and Working Groups, the workload of the Secretariat had increased considerably, and that members of this service were doing their best to cope with all demands. He added that the Administrative Service succeeded in saving 13,000 Euros by renegotiating contracts with suppliers that will result in savings in fiscal 2006.

The Programme Activities Service made a considerable contribution to the Strategic Plan by disseminating knowledge (through workshops, training sessions, etc) and standards, as well as by sustaining ICOM's efforts in its fight against illicit trafficking of cultural property.

The Secretary General expressed his appreciation to the interns who worked in the various services, and without whose assistance it would have been difficult to accomplish all these tasks.

Finally, John Zvereff reviewed the International and National Committee meetings he and Alissandra Cummins had attended in the past few months, and thanked Council members who had accepted to represent ICOM at other important events.

The Executive Council noted and approved the Secretary General's report, as well as the additional information about programmes provided by Jennifer Thévenot, Programme Activities Officer.

Some members raised questions about the participation of UNESCO in the development of the Information Centre and asked the Secretary General to continue contacts with the Organisation on this point.

4. Mediation procedure: update

The Secretary General informed the Executive Council that a mediation procedure to settle possible conflicts between management and the staff had been submitted to the staff, but that he latter disagreed with the mechanism proposed and requested to submit an alternate proposal better reflecting staff concerns.

The Executive Council agreed to consider alternate proposal and asked that a new draft be submitted to it as a matter of priority in June 2006, or at the latest, in December 2006.

5. Financial Report

Nancy Hushion, Treasurer, presented the financial documents, together with a full report on the finances of the Organisation (Appendix 1).

The Executive Council decided to set up a small working group to revise and finalise the budget for 2006 and to submit it to Council members for final approval between now and 31 January. It was agreed to authorize the Secretary General to undertake the necessary operating expenditures to meet obligations in 2006, pending approval of the budget.

The Committee on International Committees was asked to examine the Treasurer's proposal for a graduated scale applicable to the ordinary subsidies to these Committees.

Alissandra Cummins announced that the staff of ICOM would receive an end-of-the-year bonus, on a *pro rata temporis* basis, already included in the budget for 2005, in recognition of their dedication to the Organisation.

6. National Committees and International Committees [Eloisa Zell, Membership Service Officer]

Eloisa Zell, Membership Service Officer, reported on benefits from publishers, including AltaMira Press, American Association of Museums, Interpol, Oxford University Press, Routledge UK and UNESCO she had negotiated for the active members of ICOM.

6.1. National Committees with unpaid dues for 2005

Council was informed that the National Committees of Chad, Kyrgyzstan and South Africa did not remit annual membership dues for 2005. In line with Membership Policy currently in force, Council approved the recommendation to communicate directly with each member of these Committees, inviting them to pay their dues to the Secretariat and to reorganise their Committee by electing new officers, if necessary.

6.2. Committees under reorganisation

The Council approved the reorganisation of the National Committee of Niger and agreed to consider the National Committee of Jordan as undergoing reorganisation. Alissandra Cummins asked the Secretary General to so inform the Permanent Delegation of Jordan.

6.3. New Committees

The Council approved the establishment of the new National Committee of Nicaragua and welcomed the creation of the new National Committee of Armenia, set up with the assistance of the Iranian National Committee. This Committee was approved on condition that it satisfied all statutory obligations.

6.4. ICOM Fund

Council was informed of a recent contribution from the French National Committee. With this contribution, the Fund's accounts amounted to € 6284.30 at 30 September 2005. The President offered congratulations on behalf of the Council.

The Executive Council agreed to grant the requests for financial aid submitted to the ICOM Fund by the National Committees of Afghanistan and Nicaragua; nevertheless, it agreed that the Afghan National Committee should organise itself so as to be financially autonomous as of 2007.

It was agreed that henceforth, any Committee that had received assistance from the Fund for at least four years should submit a financial viability plan.

6.5. Special Membership Subsidies

The Council did not approve the requests from the National Committees of Argentina and Botswana for the continuation of their special membership subsidies for 2006 (in force since 2002), as there was insufficient evidence to support their claims.

6.6. International Committees

The Council approved in principle the list of regular grants applicable to International Committees for 2006, to be allocated upon submission of annual financial reports. Council members also discussed the best way to attract more members to the International Committees.

7. Reports of ICOM partners

7.1. ICOM Foundation

[Written report received by Mrs. Christine Boël, President of the ICOM Foundation]

Since the beginning of the year 2005, the ICOM Foundation received a donation of \$1,500 and the sum of 1,041,28 euros from the French Réunion des Musées Nationaux in settlement of the money due from the sale of jewellery (joint products) earned in 2003. The Foundation paid back 260.58 euros, the amount of the image rights of museums that had loaned pictures. A balance of 780.70 euros therefore remained. The Foundation was waiting to receive the money earned from the sales made in 2004 (537.47), out of which it would have to pay back 175,615 euros to the institutions that had loaned images. This would leave a balance of 361,855 euros.

The major contribution of the Foundation to the finances of ICOM was mainly from membership fees paid directly to the Secretariat by the "Friends of the ICOM Foundation". From 68 members in 2004, their number rose to 83 in 2005, and they paid the sums of 12,901 euros and \$1,366 directly to ICOM. For the year 2006, a sum of 1,450 euros was already received by the Secretariat, four new members have joined and another six were preparing to do so.

In 2005, the sales of the 2004 diary and other "paper" products published for the Foundation by *Museums and Galleries* earned £ 922.31 sterling. The President of the Foundation was particularly happy to announce that the Guimet Museum had recently agreed to a joint

programme for cards and other products to be sold for the profit of both the ICOM Foundation and the Museum.

The theme of the ICOM 2006 diary will be "Life in the town and the country". The Foundation was searching for images, particularly for the cover, and was therefore seeking assistance from partner museums.

Council members took due note of this report and congratulated the President of the Foundation for her dynamism and the sums paid to the Organisation. In addition, they were of the opinion that other advantages should be explored to attract more members to the ICOM Foundation.

7.2. UNESCO

Laurent Lévi-Strauss, Representative of the UNESCO Director General, thanked the Council for having invited his Organisation to the meeting. He reported on the various decisions concerning the Culture Sector, taken during the 33rd UNESCO General Conference in October 2005. He thanked the Council for having sent a delegation to participate in the Conference (Nancy Hushion, Elisabet Olofsson, Gary Edson and Cary Karp, as well as members of the Secretariat) and confirmed that their presence was highly appreciated by UNESCO.

The Conference focused on three principal aspects:

- the budget
- the administrative reorganisation of the Culture Sector
- the contents and subjects.

Laurent Lévi-Strauss described the difficult context of the Conference, which had to deal with a budget that was basically inadequate to cover all ordinary expenditures, leading to a need to finance supplementary expenses (works and renovation at the headquarters building, etc). As a result, all sectors were subjected to budgetary reductions. The budget for the Culture Sector, for instance, was cut by 25%. However, Mr. Lévi-Strauss assured members that the Division of Culture intended to give priority to action encouraging cultural diversity, as well as tangible and intangible heritage.

He also reported that the Sector had two units: the World Heritage Centre and the Division of Cultural Heritage, the latter consisting of three sections: tangible heritage, intangible heritage and international standards. The Section for Tangible Heritage had now merged with the Centre for Cultural Heritage, to cover all aspects connected with monuments and sites. No changes were made to the Section on International Standards, but a new section was created to deal with museums and movable objects.

This new unit had a budget slightly higher than 1 million dollars, 60% of which was allocated to field offices, the publication of *Museum International* and the framework agreement concluded between ICOM and the Division of Culture. Laurent Levi-Strauss explained that it would now be necessary to find extra-budgetary funds to increase the activities undertaken in partnership with ICOM. He reminded Council members that the sum of \$ 500,000 had been reserved and allocated as follows:

- \$400,000: Museums in Southern Africa
- \$ 100 000: Creation of a Regional Centre on African Heritage in agreement with AFRICOM.

The Convention on the Diversity of Cultural Contents and Artistic Expressions had been ratified by twenty seven (27) countries, thirty (30) ratifications being required for the Convention to come into force. A first General Assembly of the State parties will be held in May 2006, as well as the first session of the Committee.

Finally, Laurent Lévi-Strauss informed the Council that Mounir Bouchenaki, Assistant Director General for Culture, would be retiring on 31 December 2005. Starting in January/February 2006, he would be taking up his new functions as Director General of ICCROM.

Members of the Executive Council took due note of this report, and after thanking Laurent Lévi-Strauss, expressed their concern over the Information Centre. They stressed the need to begin as soon as possible a discussion with UNESCO to determine the organization's commitment to the Centre, and the support it might provide to the new Museum Section.

The Executive Council expressed satisfaction at the news on the creation of the Regional Centre on African Heritage and offered ICOM's assistance. Similarly, it hoped that ICOM's expertise and experience would make the organization an important and active partner of the Museum Section.

Finally, Alissandra Cummins asked that Mr. Lévi-Strauss convey to UNESCO's Director General the Executive Council's congratulations for the passing of the Convention on the Diversity of Cultural Contents and Artistic Expressions.

7.3. ICOMOS

Wilfried Lipp, President of ICOMOS-Austria and Representative of the President of ICOMOS, presented a report on the activities of this Organisation.

He reviewed the principal activities carried out by ICOMOS in 2004 and 2005, devoted mainly to the 40th anniversary of the Organisation. ICOMOS held its 15th General Assembly in Xi'an (China) from 17 to 21 October 2005, on the theme "Monuments and Sites in their Setting – Conserving Cultural Heritage in Changing Towns and Landscapes". During this Conference, Michael Petzet (Germany), President, Dinu Bumbaru (Canada), Secretary General, and Giora Solar (Israëel), Treasurer, were re-elected up to 2008.

Wilfried Lipp summarised the measures adopted during of the Conference. He then turned to possible areas of co-operation with ICOM.

- Strategies:
 - in management
 - for the Blue Shield
 - for heritage at risk
 - for improved relations between Europe and other parts of the world
- Categories, such as:
 - intangible heritage
 - religious heritage
 - cultural diversity
- Questions concerning the Organisation, such as:
 - the inclusion of students and young professionals
 - a common ICOMOS/ICOM membership card
 - joint scientific committees
 - bibliographical databases
- Basic questions, such as:
 - cultural tourism
 - interpretation of monuments and sites, in particular:
 - conservation of museums in historic buildings
 - scientific collaboration

Wilfried Lipp emphasised the fact that the challenges posed by these questions required solid co-operation between the two Organisations.

Council members requested the Secretary General to initiate a joint study with ICOMOS on possible areas of active co-operation, for submission in June 2006.

7.4. WFFM

Julia Oh, WFFM sub-Committee on joint initiatives, presented a report on behalf of Carla Bossi-Comelli, President of WFFM. The 13th Congress of WFFM was held in Seville (Spain) from 18 to 22 October 2005, on the theme of "Friends of Museums: Facing New Realities". Over 300 participants attended the Congress. The conclusions have been published on the WFFM Web site.

During the Congress, the President Carla Bossi-Comelli marked the 30th anniversary of WFFM by launching a substantial illustrated book featuring donations made by the Federation to the museums it supports. This book is available at the WFFM Office in Mexico.

The WFFM is exploring possible actions to be undertaken jointly with ICOM, and with this objective in mind, it was very interested in having detailed information about ICOM's 60th anniversary. The WFFM also proposed that the two institutions set in motion joint measures to raise public awareness on issues concerning sustainable ecological tourism. In this respect, it should be noted that the WFFM Secretary General, Lila de Chaves, will be attending the Conference on Sustainability, to be organised in Vietnam in January 2006.

The WFFM proposed the creation of a joint ICOM-WFFM working group to draw up a phased strategy, for implementation in three phases:

- preparatory surveys aimed at determining the degree of support to be achieved by members of WFFM and museums – represented by ICOM – for a programme to educate the public on ecologically sustainable tourism;
- work on a code of ethical tourism for visitors-tourists;
- work on the delivery methods to be adopted by groups of Friends and Museums.

Julia Oh explained that the results obtained by this working group should then be discussed by a joint session during the ICOM Conference in Vienna in 2007. She invited ICOM members who wish to belong to this group to put forward their names.

The next annual meeting of WFFM will take place in Santiago, Chile, in April 2006. The next triennial Congress of WFFM will be held in Jerusalem in mid-September 2008.

The Council approved the proposal to co-operate with WFFM on developing a programme on Cultural Tourism and on the creation of a small working group to study this issue. Hans Martin Hinz and Tereza Scheiner offered their assistance.

8. Standing Committees

- Ethics Committee

Members of the Executive Council duly noted the reports submitted by the Chairperson of the Committee on the meetings held on Friday, 3 June (2005.ETH.01) and on 5 and 9 June 2005 (2005/ETH.02), as well as the draft mandate (2005/ETH.03). With regard to the mandate, Council members requested that it follow the format of that of other Standing Committees.

- Legal Affairs and Properties Committee

- International mediation procedure

The Council approved the international mediation procedure submitted by the Committee on Legal Affairs, with the support of the Ethics Committee.

- Co-operation with the International Bar Association (IBA)

Council members approved the implementation of a co-operation agreement with IBA and thanked Jean-François Canat for his invaluable advice on the drafting of the Statutes of the Organisation. The Council would officially request the advice of the International Bar Association on matters connected with legal aspects of the Organisation.

- Database on national protection of movable cultural property

The Council approved in principle the creation of a database to be hosted by the server of the Texas Tech University. It nevertheless expressed its wish to receive further information on this project and to launch a pilot phase before giving final approval.

- Minutes of the meeting of 22 October: for information

The Executive Council noted, in particular, the problem submitted by the Slovenian National Committee concerning a conflict over the exhibition of a collection in Trieste, Italy. It decided that the fundamental issue of the problem – ownership of the collection – is to be settled between governments, whereas the controversy over the exhibition of the disputed works – should be examined by the Ethics Committee.

- **Standing Committee on International Committees**

The Council approved the following documents:

- the draft mandate, adopted in principle, with the addition of an introduction (2005/IC.03) ;
- the procedures related to the creation of an International Committee (2005/IC.01) ;
- the draft rules and regulations applicable to International Committees, with clarifications on financial management and responsibilities in terms of reports (2005/IC.02).

The Council decided to look for a more effective solution to facilitate the financial management of International Committees with the help of the Secretariat. The Secretary General suggested that the Secretariat could take under its responsibility, on an experimental basis for one year, the accounting and financial management of two International Committees. After this trial period, the Secretary General would submit a report to the Executive Council to help it decide whether this practice should be extended to all International Committees.

- **Nominations Committee**

Members took due note of the report presented by the President of the Advisory Committee, Günther Dembski. They asked the Committee to send all the proposals likely to have an impact on the Statutes of the Organisation to Gary Edson as soon as possible.

- **Committee on Finances and Resources**

Members took due note of the written report submitted by Robert Spickler. They asked the Secretariat to do its best to produce as soon as possible the documents required for the smooth functioning of the Standing Committee on Finances and Resources.

9 **Task Force and Working Groups: reports and discussions**

- **National Committees and Regional Organisations**

Members duly noted the draft regulations applicable to National Committees and asked Gary Edson to rewrite the document, taking into account the following points:

- The deadline of July 31st for payment of membership fees;
- Members who wish to continue belonging to ICOM but no longer reside in their country of origin.

As far as the attribution of cards to institutional members is concerned, the Executive Council decided that this should be considered within the framework of a more general debate on the advantages given to this category of members. With this in mind, it gave a mandate to the Task Force for National Committees and Regional Organisations to continue to look into this matter.

Council members noted the need to strengthen Regional Organisations, as well as to carry out an in-depth study on the various problems encountered. Gary Edson and Hans Martin Hinz were requested to continue their study. It was agreed that a meeting could be convened with all the Regional Organisations in June 2006, on the occasion of the Advisory Committee session, provided that the timetable of the Committee is not changed and that ICOM would not have to incur significant additional expenses.

- **Revision of the ICOM Statutes**

Members of the Council took due note of the draft presented by Gary Edson, as well as the views of the Committee on Legal Affairs. In addition, they felt this Committee, together with Gary Edson, the President, the Secretary General and the Legal Adviser, should continue to co-operate on producing the final version. Council members noted that a number of amendments were necessary in order to comply with the French Law of 1901 governing Associations. They approved in principle the idea of an annual General Assembly but were of the view that a study should be conducted to evaluate the practical and logistic consequences of introducing such a measure. They also asked for an analysis of the possible implications of changing the title of "Secretary General" to that of "Director General".

- **Disaster Relief Task Force**

Members took due note of the draft mandate and requested the Task Force to continue its work to ensure that the document is more in line with other mandates.

- **Multiculturalism**

The Council approved the draft mandate and asked for further details about the series of fora in which members would be participating.

- **Publications**

Members agreed to set up a working group on publications, composed of Gary Edson, Michel van Praët and Teresa Scheiner, to devise a draft editorial policy. After approval of the editorial policy, the Council would finalise the draft mandate of this working group in June 2006.

10. Strategic Plan

Members of the Council finished examining the objectives of the Strategic Plan for the period 2004-2007. They expressed their wish to be more closely involved in this programme to enable them to assist where desirable in the implementation of the plan. This list will be added as an Appendix to the minutes of this meeting.

Gary Edson was invited to draw up a draft policy on the use of the ICOM logo.

11. ICOM 2007

- Report on the session held on Monday, 5 December 2005

The Working Group of the Executive Council on ICOM 2007, after discussing the theme of the Conference with the representative of ICOM 2007, asked for a summary presentation to be submitted before the end of January / February 2006, together with a list of possible speakers. The Secretariat agreed to provide a list of all speakers since the first ICOM General Conference, before the end of 2005.

- Progress report on the preparations for ICOM 2007

Council members duly noted the progress report presented by Armine Wehdorn, Coordinator of the ICOM 2007 Conference, and stressed the need to reproduce the ICOM logo on all publications and promotional documents related to the Conference.

12. General Conferences of ICOM

The Executive Council approved the draft agendas prepared for the General Assembly and the General Conference, as amended, pointing out that the theme of the Conference will have to be changed as soon as the final version is adopted.

The Executive Council approved the suggestion made by Alissandra Cummins that from 2007 onwards, the theme of the International Museum Day would be the same as the theme chosen for the General Conference.

- Manual on General Conferences

In June 2006, Elisabet Olofsson and Yani Herreman will present a draft manual on General Conferences, drawn up in partnership with the members of the Secretariat.

- ICOM 2010

The Executive Council agreed to ICOM-China's the request for a change of venue of the Chinese candidate for the 2010 General Conference to the city of Shanghai, on the request of China. It was decided to request ICOM-China to submit a new budget corresponding to the new venue proposed. Günther Dembski, Chairperson of the Advisory Committee, would inform members as soon as possible of this development.

13. Proposals for ICOM's 60th anniversary celebrations [Günther Dembski]

The Executive Council duly noted the proposals put forward by Günther Dembski and John Zvereff:

- An international symposium on legislation and ethics in the behaviour of society, also designed to celebrate the 20th anniversary of the ICOM Code of Ethics;
- medals for distribution to honorary members;
- medals for sale;
- the possibility of organising a social and cultural event at the Château of Versailles.

A Working Group made up of Michel van Praët, Teresa Scheiner and John Zvereff will submit a proposed logo for the 60th anniversary.

Even though the Council was willing consider to financing some of these activities out of the Organisation's reserves, it nevertheless felt that other sources of funds and partnerships should be found. A budget should be submitted to the Council. It also encouraged National

Committees to draw up their own programme to celebrate the 60th anniversary. The idea of an Open Day at museums all over the world, suggested by Pascal Makambila, was received with enthusiasm. Alissandra Cummins proposed, and the Council agreed, that the former President of ICOM, Jacques Perot, be appointed as Honorary President for the 60th anniversary celebrations.

14. Other matters

- Definition of a museum

The Council noted the document drawn up by ICOFOM on the definition of a museum, and expressed its appreciation of this measure, as it was an invaluable source of information on the subject.

- ICTOP programme directives on intangible heritage

The Council noted the revised document on the programme directives but wished to examine it further before giving formal approval.

- Report of the Committee on an Intangible Heritage Journal

Jongsok Kim presented the report of the first meeting of the Committee devoted to creating a Journal on Intangible Heritage, which was held in Seoul (Korea) in October 2005. The Council was in principle in favour of this long-term publication and expressed its appreciation of the efforts undertaken by the Korean National Committee, the National Folk Museum of Korea and the Ministry of Culture and Tourism, which is financing this project. All these points will be confirmed in a letter.

- International Academy of Museologists (IAOM) [Gary Edson]

The Council took due note of the project proposed by Gary Edson but felt that a clarification was required and that other similar structures should be studied.

15. Forthcoming meetings of the Executive Council and Advisory Committee

Council members expressed their satisfaction at having received the draft agendas for the meetings of the Executive Council and Advisory Committee, planned for June 2006. These drafts were amended slightly, and they will be corrected and distributed to members before publication on the ICOM Web site.

Advisory Committee	68 th session:	29, 30 and 31 May 2006, Paris (France)
Executive Council	109 th session:	28 May, 1 st and 2 June 2006, Paris (France)
	110 th session:	4, 5 and 6 December 2006, Paris (France)

Appendix 1

TREASURER'S REPORT
ICOM EXECUTIVE COUNCIL
5-7 December 2005

Vienna (Austria)

OVERVIEW

1. Budget 2005 : Financial Report to 31 October 2005 and projections to year-end
2. Achievement of financial management goals for 2005
3. Draft 2006 Budget
4. Initial Strategy / Projections for 2007-2008
5. Proposal for a graduated scale of allocations to International Committees

FINANCIAL REPORT : TO 31 OCTOBER 2005, PROJECTIONS TO YEAR-END

REVENUE	Actual 2004	Budget 2005	Total Actual / Projection	Percentage of Change Actual/Projection
Members	1 560 410	1 492 324	1 424 416	-5 %
Contratcs	112 162	114 965	120 359	4 %
Getty	18 386	227 000	112 000	-103 %
Others	3 729	50 279	18 137	-117 %
Programmes	214 041	460 134	173 517	-62 %
TOTAL	1 908 728	2 344 702	1 848 429	-21 %

EXPENSES	Actual 2004	Budget 2005	Total Actual / Projection	Pourcentage of Change Actual / Projection
Administration	1 147 978	1 352 621	1 337 294	-1 %
SI/Musedoma	0	140 000	27 341	-412 %
Communications	214 912	268 259	268 481	0
Committees	101 828	185 952	171 559	-8 %
Programmes	220 392	397 870	178 517	-123 %
TOTAL	1 685 110	2 344 702	1 983 192	-18 %

SUMMARY	Actual 2004	Budget 2005	Total Actual / Projection	Pourcentage Actual / Projection
Total Income	1 908 728	2 344 702	1 848 429	-21 %
Total Expenses	1 685 110	2 344 702	1 983 192	-18 %
Surplus / Deficit	223 618	0	(134 763)	

SUMMARY 2005

	Actual 2004	Budget 2005	Total Actual / Projection 2005
Operating Surplus / Deficit	223 618	0	(134 763)
Investment Income	34 192	37 130	9 484
Exchange Loss	(209 918)	(38 668)	65 146
Financial Result	(175 726)	(1 538)	74 630
Surplus / Deficit	47 892	(1 538)	(60 133)

KEY WORDS

Working Capital: cash and/or short-term investments designed to cover cash flow needs

Reserve Fund: longer-term investments to protect and increase ICOM's capital

ACTIONS IN 2005

CASH

Since ICOM's expenditures are stated in Euros (€):

- All requests and reports are stated in Euros (€)
- US dollars [total as at 10/4/05: \$ 1,234,000 converted into Euros (€) as follows :
\$ 400,000 in April

Remainder after 2 transactions before June (\$ 834,000 dollars)

INVESTMENTS

700,791 Euros (€) were invested in the long-term as Reserve Funds at BNP (capital guaranteed, yield 0 – 17 % annually, 10 % on average).

482,182 Euros (€) were invested in the short-term as a Working Capital at BNP, and 480 369 Euros (€) at the Caixa Bank.

ACHIEVEMENT OF FINANCIAL MANAGEMENT GOALS FOR 2005

- Exchange rates must be set more frequently – **Agreed and switched to a Euro base.**
- Hedging for Euros must be investigated – **Not necessary.**
- American dollars must be converted into Euros as soon as received. – **Implemented.**
- Estimate established immediately for 6-month working capital needs – **Implemented.**
- Investment Committee to be researched – **Implemented – Finance and Resources Committee for action.**
- Cash flow projections for 2005 to be prepared immediately (**implemented**) and kept current (**not fully**).
- Quarterly financial reports to be prepared and forwarded to the Executive Council ; monthly reports to the President and the Treasurer. Weekly « Bulletins » on exchange rates, etc., from the Secretary General to the Treasurer – **Not implemented.**

Evaluation of the consequences of paying membership dues in Euros : decision to be taken at the latest by June 2005 and information to be conveyed to members immediately – **URGENT.**

FURTHER ACTIONS APPROVED IN JUNE

- 2006 budgetary projections based on the Strategic Plan to be prepared next summer and forwarded to the Executive Council in September – **Not implemented.**
- 2007 budgetary projections to be presented to the Executive Council and Advisory Committee in June 2006.
- Two separate sets of three-year projections for the Strategic Plan (reasonable and ambitious) will be prepared for review by the Finance and Resources Committee this autumn – **Not implemented.**
- Income from the Reserve Fund will be re-invested in the Fund – **On-going.**

BUDGET 2006

Budget : History and Context

	Percentage of change 1996-2005
Total Income	22 %
Membership Dues	47 %
Grants	-154 %
Programme Income	-90 %
Total Expenditures	28 %
Programme Expenditures	-133 %

CORE FINANCIAL GUIDELINES

- Extra-budgetary projects are not possible, drawing from Reserves requires a full proposal.

- The budget must be balanced; depending on the context, increased diversification of income is essential.
- The budget must reflect strategic priorities.

Issues connected with 2005/SEC.07

- Extrabudgetary expenses of euros 237 503
- Request to the Getty Foundation for euros 481 500
- Absence of diversified funding sources

Initial actions taken by the Treasurer

- Salary costs of euros 75 168 moved to Operations
- Possibility of handling occasional, full proposals for the Membership database (euros 94 000) and for the 60th anniversary (euros 68 000), to be decided by the Executive Council.

BUDGET 2006

REVENUES	Actual / Projection figures 2005	Budget 2006	% increase in 2005/2006
Operations	1 674 912	2 148 500	20 %
Programmes	173 517	297 145	42 %
TOTAL REVENUE	1 848 429	2 445 645	23 %
EXPENSES			
Operations	1 715 984	2 256 992	23 %
Programmes	178 517	264 158	32 %
TOTALE EXPENSES	1 983 192	2 521 150	24 %
SURPLUS / DEFICIT	(134 763)	(75 505)	

Note:

- In 2005/SEC.07, the financial result amounts to euros 18 820, which would reduce the operating deficit to (euros 56 585).

RECOMENDATIONS

- The 2006 should be further studied by a small working group, with the completion date of 31 January, for transmission to the Executive Council for approval.

- The 2006 budget should take into account the three core guidelines : reasonable estimates should be made, if not confirmed, regarding the Getty Foundation and the projects to be funded.

If necessary, the Secretary General should be authorised to make regular expenditures, pending approval of the budget for 2006.

Appendix 2

List of actions of the Strategic Plan followed by members of the Executive Council *

The initial draft of this list was presented in June 2005 at the 107th session of the Executive Council. It was updated in Vienna (Austria) during the 108th session.

Name	Objective 1	Objective 2	Objective 3
Amareswar Galla			11
Martin Schaerer	4 ; 5 ; 8	7 ; 8	
Nancy Hushion		10 ; 11	5 ; 6 ; 7
Georges Abungu	6		12
Gary Edson		12	1 ; 12 ; 14
Hans-Martin Hinz		6	4
Jongsok Kim	6	5	6
Xiangyi Li		2 ; 4 (action 4)	
Elisabet Olofsson	9	9	9 ; 10
Per Rekdal	4 ; 5	7 ; 12 ; 8	4
Teresa C. Scheiner	6 ; 11 ;	2 ; 6 ; 7 ;	11 ; 3
Marie-Christine van der Sman		2 ; 5 ; 10	8
Michel van Praët	1 ; 2 ; 3		
Richard West	8 ; 10	1 ; 2 ; 4 ; 10	11
Günther Dembski			2 ; 13

The President of ICOM and the Secretary General should participate in all the actions of the Strategic Plan.



LISTE DES PARTICIPANTS

LIST OF PARTICIPANTS

*108^e session du Conseil exécutif
108th Session of the Executive Council*

*Vienne/Vienna (Autriche/Austria)
5 – 7 décembre / December 2005*

EXCUSÉS/EXCUSED :

George O. Abungu (Kenya)
Amareswar Galla (Australie/Australia)

PRESIDENT :

Alessandra Cummins (Barbade/Barbados)

VICE-PRESIDENT :

Martin R. Schaerer (Suisse/Switzerland)

TRÉSORIER/TREASURER :

Nancy Hushion (Canada)

MEMBRES/MEMBERS :

George O. Abungu (Kenya)
Gary Edson (Etats-Unis/United States)
Hans-Martin Hinz (Allemagne/Germany)
Jongsok Kim (République de Corée/Republic of Korea)
Elisabet Olofsson (Suède/Sweden)
Per Bjørn Rekdal (Norvège/Norway)
Tereza Scheiner (Brésil/Brazil)
Marie-Christine van der Sman (Pays-Bas/Netherlands)
Michel van-Praët (France)
Li Xiangyi (Chine/China)
W. Richard West, Jr. (Etats-Unis/United States)

EX-OFFICIO :

Günther Dembski (Autriche/Austria)

OBSERVATEURS/OBSERVERS :

Carl Aigner (Autriche/Austria)
Patrick Boylan (Royaume-Uni/United Kingdom)
Miklós Cseri (Hongrie/Hungary)
Wang Dan (Chine/China)
Yani Herreman (Mexique/Mexico)
Paal Mork (Norvège/Norway)

Angelika Röhr (Autriche/*Austria*)
Armine Wehdorn (Autriche/*Austria*)

FMAM / WFFM (Fédération mondiale des amis de musées/*World Federation of Friends of Museums*) :

Julia Oh (Singapour/*Singapore*)

ICOMOS (Conseil international des monuments et sites/*International Council on Monuments and Sites*)

Wilfried Lipp (Autriche/*Austria*)

UNESCO

Laurent Lévi-Strauss (*Revue Museum International*/*Museum International Magazine*)

SECRETARIAT DE L'ICOM/ICOM SECRETARIAT :

Sylvie Delice (Comptable/*Accountant*)

Jennifer Thévenot (Responsable des activités de programme/*Programme Activities Officer*)

Joëlle Thibet (Responsable administrative/*Administrative Officer*)

Eloisa Zell (Responsable du Service des membres/*Membership Service Officer*)

John S. Zvereff (Secrétaire général/*Secretary General*)