Consultation on EU import licensing regulations for cultural property runs until April 21

The European Commission has published draft implementation proposals for the incoming import licensing regulations for cultural property and is calling for comments in a consultation process that will end on April 21. IADAA is currently assessing the documents and drawing up a response and encourages others to have their say too.
At this stage, concern will centre chiefly on practical solutions for the submission of documentation, commitment to a realistic and timely customs assessment process, along with clear definitions and parameters. It is essential that any measures introduced are workable and do not damage legitimate trade. The documents may be found at this link: https://bit.ly/3cCZ55k

Netcher’s good ideas are lost amid its flight from reality and the grab for power and money

The Netcher project held its final forum online on March 1 and 2. A €1.5m transnational policy research project aimed “at reinforcing the fight against cultural heritage looting and trafficking”, it concluded by presenting 194 recommendations for action. While some of the ideas are constructive, the conduct of the project, its ambitions and failure to adopt a truly evidence-based approach raise serious questions about this whole concept of policy forming. You can read IADAA’s review of the forum here: https://bit.ly/31ioIBO

FinCEN Signals Suspicion of Art Market Even Before AML Study Begins

JDSupra.com: March 24: Lawyer Nicholas O’Donnell continues to raise questions over FinCEN’s approach to proposed legislation in the United States regarding the art market and anti-money laundering.
This is a detailed appraisal of the situation as it stands, but at the heart of it is a red flag: O’Donnell warns that FinCEN appears to be making significant assumptions about money laundering and terrorism financing as the basis of its overview of the art market BEFORE it has even started to investigate how the impending law should be shaped. “The biggest issue with this [FinCEN’s] approach, however, is that it clearly assumes the existence of the problem before the study has begun,” he writes. “A study of potential money laundering and terrorist financing in the art market must begin critically and objectively. Otherwise, every individual act of wrongdoing will be seen as proof of a larger pattern because that larger pattern was assumed before it was demonstrated to be true.”

As IADAA has reported numerous times, including below (see Blood antiquities: the devil is in the demand), those investigating and given jurisdiction over the market do not appear to be applying the same rigour to their own research that they demand from those they are investigating. If they recognise that impeccable intelligence is essential for compliance under AML laws, then they should apply the same level of due diligence to their own investigations or risk being misled. https://bit.ly/39h4KeZ
**Blood antiquities: the devil is in the demand**

EU AML/CFT: March 2: This article, published by another European Union-backed project, regurgitates numerous falsehoods regarding the demand for antiquities (licit or otherwise), illustrating the sort of data ‘laundering’ one would not expect from a team with this sort of pedigree.

The first error is the bogus claim, based on ‘Reports’, that illegal trade in antiquities is the **third largest illicit trade in Europe** (the publisher’s emphasis). Following it, although not in bold letters, is the admission that “conclusive estimates are difficult”, which begs the question as to how they can so confidently assert the first claim.

As the March 1 and 2 Netcher Forum confirmed, thanks to Cecile Soriano, Policy and Legal Officer at the EU’s Directorate for Financial Stability, Financial Services and Capital Markets, it is impossible to measure the value of this form of illegal commerce, and there is “very limited evidence” of the financing of terrorism activities or trafficking routes. (IADAA has yet to see any evidence at all of terrorism financing from antiquities being confirmed).

The ‘report’ referred to in this instance is the Joint European Commission-UNESCO 2018 publication by Professor Marc-André Renold, which UNESCO misquoted to publish the bogus figure of $10 billion as the annual value of illicit trade in antiquities as part of their fraudulent advertising campaign, *The Real price of art*, in October last year (*See October and November 2020 newsletters*).

EU AML/CFT have been equally remiss in checking the facts here. All it has done is to reference the first two sentences in section C of the Renold report on page 8, which state: “A number of studies have reported that the illicit trade in cultural property would be the third most common form of international criminality after arms and drugs trafficking, providing billions of dollars of revenue. For instance, Frank Wehinger estimated that the global illegal market has a value between US$6 and US$8 billion per year.”

So Renold does not state that illegal trade in antiquities is the third largest illicit trade in Europe; he just says that others do. The article fails to quote Renold’s subsequent paragraph, which states: “In reality, it is problematic to provide an assessment of the global extent of the illicit trade in cultural property. Indeed, complete and reliable statistics that might help to estimate the true dimension and scope of the illicit trafficking or the monetary value of the black market in cultural property do not exist.” So, again, if this is so, where does the ‘third largest’ claim come from?

The only report Renold namechecks in this context is Wehinger’s 2011 report, which he gives as a source in a footnote. Those who bother to check will note that Wehinger didn’t make the drugs/weapons/antiquities claim either, but wrote that “according to widespread statements, [this] makes it the third largest illegal market after drugs and weapons (according to estimates by UNESCO and FBI according to Anton 2010a: 2)”.

As the new report published by art market world trade federation CINOA shows, there is no foundation for this claim at all: (see https://bit.ly/3c3sVhU). The CINOA report, which provides extensive references and weblinks to primary source information, exposes how this bogus claim arose and became widespread.

The EU AML/CFT article goes on at length to set out the supposed links between illicit trade in antiquities and terrorism financing, as well as how this necessitates a further crackdown on the art market via the new anti-money laundering directive. For all the drama and passion, however, what it does not do is provide a single instance of where trade in illicit antiquities has been confirmed to have funded terrorism. As the CINOA report states: “CINOA is unaware of a single case globally where trafficked artworks have conclusively been shown to fund terrorism. This is in spite of the vast resources dedicated over decades to showing this is a problem.” CINOA further argues: “One thing we can be sure of: if an instance arose where it could be proved that art crime led directly to terrorism financing, it would be heavily publicised in the media.”

EU AML/CFT argues that “Money launderers and terrorists go to antiquities for several reasons. First, demand outstrips legal supply so that the trade offers high rewards”,
supporting the argument by referring to the legal sale, at €5 million, of a quartzite bust of Tutankhamun at auction in 2019. As anyone who knows about antiquities will tell you, the overwhelming majority of items on the market are low value.

As the RAND Corporation report based on open source data, published in May 2020, concluded, on page 84: “While analyses of looting and the supply side of the antiquities market have documented extensive looting in the Middle East and North Africa (see Chapter Two), our analysis of the major sales channels in Europe and the Americas has not identified evidence that a sufficiently robust international market exists to market and sell these goods.”

As for general demand, the RAND report concluded on page 73: “While researchers have often assumed that looting is feeding an unmet demand for antiquities on the open market, this view is inconsistent with the auctions data that we collected. Rather than finding that antiquities are “highly prized as investments and status items [for which] demand exceeds the modest legal supply,” we found instead a market in which sellers struggled to find buyers.”

Attempting to shore up its argument further, EU AML/CFT refers to “a non-partisan thinktank” who released a report last year “recommending an array of actions be taken by the art industry, financial sector and government”. Have they checked just how non-partisan the Antiquities Coalition is?

The fact is that vulnerable sites are looted and ISIS certainly destroyed vast swaths of artefacts and cultural heritage locations across Syria and Iraq. However, no hard evidence exists at all of looted or trafficked antiquities that have financed terrorism appearing on markets in Europe or the United States. Despite this, the authorities are pressing ahead with legislation on the basis that they are.

AML rules insist on outstanding due diligence and provenance to prove the bona fides of those involved in transactions. It is the ultimate irony that a ‘global facility’ backed by the EU as a task force to promote AML regulations, staffed by experts with decades of experience and knowledge in law enforcement, anti-terrorism and anti-money laundering, appears not to have carried out even the most basic due diligence even on its own footnotes supporting the ‘evidence’ put forward to argue its case and to be ‘laundering’ bogus data to give it credence.


The triumph of ideology over the law and human rights

In recent days a number of articles and media broadcasts have shared a disturbing feature: the triumph of ideology over the rule of law and human rights when it comes to cultural property. Worse, it has happening in plain sight and seemingly no one – not even the experienced journalists covering these issues – is questioning it at all, let alone displaying any sign that something might be wrong.

Take the CTV News story, Canada repatriates stolen Egyptian cat artifact on March 9 (see https://bit.ly/3vha5wc) as a case in point.

In this instance Canadian officials presented the ancient bronze cat to Egypt’s ambassador in Ottawa with a view to it being returned to Egypt itself.

“It is definitely part of our heritage ... not only of Egyptian heritage, but the heritage of humanity,” Ambassador Ahmed Abu Zeid told CTV News. “The moment we were sure of the authenticity of the piece we started the communication with the Government of Canada for the handover of this piece.”
What he does not say, though, is that the cat was stolen or illegally exported from Egypt. That is left to Aidan Dodson, a professor of Egyptology at the University of Bristol. The article goes on to report: “How the cat itself was obtained and where exactly it originated is unclear. Experts say smaller, more portable artifacts like that are often hard to trace.”

Despite this Dodson adds: “We know they weren’t legally exported, but exactly where they came from and whether they came directly from Egypt is difficult to know. All we know is they weren’t legally exported.”

Having admitted that he does not know when and where it came from, nor how it came to be in Canada, it is not clear how Dodson can be so certain of its illicit status. He does not say and nor does the report. IADAA has asked the journalist to clarify this, but so far there has been no response.

By the time the Egypt Independent came to report the issue, the claim had been upgraded to: “It was proven to be trafficked out of the country.” (see https://bit.ly/3c3ISG1)

However, no explanation accompanied the claim.

The article is padded out with references to the issues of looting and smuggling in general, as well as problems with Facebook, but none of this is mentioned in relation to the cat itself. So is this simply a matter of assuming that the cat was stolen, or is it, as the Egyptian ambassador’s comments appear to suggest, that – stolen or not – the real objection is to any trade whatsoever in Egyptian artefacts regardless of their legal status? If the former, where is the evidence to support the claim? If the latter, what are the Canadian authorities doing depriving someone of their legally held property at the behest of an invalid claim?

Another instance of apparent official sanctioning of ideology in place of legal rights has arisen in the case of further objections by the Mexican government to cultural property from Mexico being sold at auction.

On February 3, Reuters (see Mexico asks Christie’s to call off auction of pre-Hispanic artifacts https://reut.rs/3t9iEr7) reported that Mexico had called on Christie’s Paris not to proceed with an auction of 30 artefacts dating back to the country’s pre-Hispanic era, saying “the items are part of the national heritage and should be returned”.

Diego Prieto, director general of the government-run National Institute of Anthropology and History (INAH) in Mexico, was reported as saying “sacred” objects should not be for sale. “There shouldn’t be trade in national treasures,” he said.

What neither he nor the Mexican government claimed, however, was that the artefacts in question had been stolen or illegally exported. In other words, in the same vein as the statement by the Egyptian ambassador in the case of the cat in Canada, this is about ideology, not the law.

In what is arguably an even more extraordinary case, a news channel in Tucson, Arizona has reported on the discovery of Mexican artefacts in storage in a museum that were then returned to Mexico by US Customs (See ICE returns thousands of years old artifacts to Mexico https://bit.ly/3vc3Bid).

The report details how the Historical Society of Chandler, a suburb of Phoenix, had found the artefacts in storage at the local museum and contacted Homeland Security, who brought in Immigration and Customs Enforcement (ICE).

“It immediately sparked a ‘hey! This looks like something we may not have; it may be culturally protected property,” said ICE agent Scott Brown in an interview broadcast by the TV channel.

Again, however, while the article clearly reports a separate seizure of close to 300 items at the border were also returned to Mexico at the same time, it gives no indication that the museum was holding the artefacts illegally. Meanwhile, from the accompanying TV interview, Agent Brown appears to consider that it is simply the fact that they are cultural objects that makes their discovery in the museum suspicious – a bizarre viewpoint under any circumstances.
Even more bizarre is the report’s claim that, “by international law, when discovered, items should be returned to their home country.” What, even if they are not stolen or illegally exported? Again, the report doesn’t say.

What follows is even more confusing: “Brown said if these items aren’t being smuggled illegally, they usually wind up with unwitting people.”

Is this an admission that they weren’t smuggled? If so – and it appears to be – then it also appears to confirm their belief that their compulsory return to Mexico is based purely on their being Mexican artefacts, ruling out all considerations of legal ownership status. The Art Newspaper’s coverage of the same story (https://bit.ly/3vigsj2) is no clearer on the status of the artefacts from the museum.

IADAA contacted ICE for clarification regarding the Chandler Historical Society artefacts, asking: “It does not say whether the items in question had been looted, stolen, illegally exported from Mexico or otherwise trafficked. Was this the case, and how was this brought to light?”

ICE responded: “They [the society] were conducting inventory and noted the items as perhaps not items that they should be in possession [sic]. They then called HSI for assistance.”

So an answer, but not to the question asked. So we contacted them again, asking: “Just to clarify then, is there any evidence that a crime had been committed?” The reply: “None that we saw.”

If, as it seems, ICE either does not understand the law or has simply taken it on itself to return items regardless of their status, then it would appear to have abandoned its law enforcement remit in favour a propaganda exercise.

Perhaps more seriously, it raises the question as to whether ICE has acted in breach of the US Constitution. Both the Fifth and Fourteenth Amendments stipulate that no person shall be deprived of property “without due process of law”.

Such arbitrary actions, as appear to have taken place here, also arguably breach Article 17:2 of the United Nations Universal Declaration of Human Rights: “No one shall be arbitrarily deprived of his property”; and Protocol 1: Article 1 of the European Convention of Human Rights: “Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law.”

As reported above, the The EU AML/CFT – an EU-backed body concerned with compliance and law enforcement around anti-money laundering – appears to be just one of many official bodies expanding its remit beyond crime fighting to indoctrination as it spreads this ideology.

In an astonishingly brazen and inappropriate conclusion to the article (See Blood antiquities: the devil is in the demand https://bit.ly/3I5U7As) detailed EU AML/CFT above, it states: “Man-made art offers a unique set of challenges but consumer awareness and pressure has the potential to strengthen standards and overhaul the entirety of the supply chain in the art and antiquities sector too. As Donna Yates, a leading experts in illicit antiquities says, “If you have a big ivory object at the dinner table, your friends are thinking ‘dead elephant’.”

The question remains whether a similar mindset can make buyers of antiquities think twice, preventing a trade in which criminals and terrorists profit from cultural theft.”

In other words, this is nothing to do with whether antiquities are illicit or not; instead it is all about changing the “mindset” so that any trade in antiquities is seen as immoral.

Is this really the role of a public body like this, paid for out of public funds?

**eBay sale of Salamis marble prevented**

Financial Mirror: March 1: As reported in last month’s newsletter, someone in Russia has been attempting to sell on eBay a floor tile from the ancient ruins of Salamis in Turkish-occupied Famagusta, Cyprus.

Now this article reports that Tasoula Hatzitofi, who runs the campaign group Walk of Truth, has obtained a licence to prevent any antiquities from being sold on eBay.

How this works is not made clear, but FM reports that Hatzitofi asked eBay to withdraw the piece and put her in contact with the seller.

“Our goal is to find out when and how this piece of marble was removed from Salamis ... who the smuggler is.

“We must turn to art dealers and raise awareness among collectors and owners to donate it back to Cyprus,” she said.


**For Six Years, Experts Have Been Repairing the Iraq Museum That ISIS Sought to Destroy. Here’s a Look Inside**

Artnet News: March 2: A review of the past six years and the attacks on the Mosul museum, this article looks at the state of affairs now and the challenges ahead. Among them is establishing how much of the collection was destroyed and how much looted: “Years later, the state of the collection is still hard to assess. A full inventory has yet to be conducted to determine exactly what was destroyed or looted, as opposed to moved or hidden offsite ahead of the invasion.

‘The staff squirrelled away stuff,’ says Richard Kurin, an ambassador-at-large for the Smithsonian Institution in Washington, DC. ‘They took stuff across the river to Ninevah.” There, artifacts were subject to less-than-optimal conservation conditions—but spared the wrath of ISIS’.”


**MP submits bill to register Egyptian antiquities with WIPO**

Egypt Independent: March 3: In arguably the most bizarre move ever made by an Egyptian politician when it comes to antiquities, Ayman Mohaseb, a member of the Planning and Budget Committee of the Egyptian parliament, is planning a global rights grab for all Egyptian antiquities.

The idea appears to create a massive new revenue stream for the Egyptian government – a figure of more than US$500 million is mentioned – by passing a bill to force anyone holding Egyptian antiquities anywhere in the world to pay it fees relating to any ‘exploitation’ of the artefacts on trademark grounds. This presumably applies to pieces in museum collections, held privately in collections and so on.

How Mohaseb expects to cut across private property legislation and human rights to impose this domestic law globally if passed is not clear.

What is clear, however, is the insight it gives to the mindset of anyone taking such a proposal seriously.


**How one looted artefact tells the story of modern Afghanistan**

New York Times: March 4: This article is a long read, but is interesting for its first-hand reporting of activity on the ground within Afghanistan, casting light on how items are looted and passed on, as well as the sort of people involved.

https://nyti.ms/2ObrbuW

**Archaeologists appeal to Greek prime minister to halt restructuring of five big antiquities museums**
Art Newspaper: March 4: Archaeologists are objecting to a new law proposed by Greece’s Ministry of Culture and Sports to loosen the state’s hold over the country’s five largest archaeological museums.

By converting the museums into legal entities in their own right, the government hopes to give them more autonomy over finance and administration, but those opposed believe it is a “catastrophic policy that is preparing to cancel the public character of antiquities and museums” at a time when closed cultural sites are more dependent than ever on state funds.

It appears that one of the key concerns is that the Greek government will use the separation of powers as a prequel for cutting state subsidy to the museums.

Despina Koutsoumba, the president of the SEA (Greek Association of Archaeologists), also fears that any rise in private sponsorship will threaten the integrity of museums, with wealthy donors and new board members exerting the wrong kind of influence. “They are public museums, not museums of private companies,” she says. “The problem to us is not private funding—when we want private funding, we find it. We don’t want to depend on it.”


Libya Retrieves Statue of Faustina, Daughter of the Roman Emperor Antoninus Pius

Asharq Al-Aswat: March 6: Diplomatic efforts between Libya and Austria have led to the return to Libya of a rare marble head of Faustina (pictured), the daughter of the Roman Emperor Antoninus Pius and Roman Empress Faustina the Elder.

The head, which had originally been displayed in the Libyan Sousse Museum was smuggled out of Libya over 75 years ago during the Second World War, eventually ending up in Austria.

Photo credit: Libyan Foreign Ministry
https://bit.ly/3tZ8Hx7

Idlib’s antiquities tragic and forgotten

Enab baladi.net: March 7: Another long read, this article focuses on the destruction of heritage sites in Idlib province, Syria. Under the subheading Who is perpetrating excavations and artifact trafficking? it notes that “arbitrary excavations are not new” but have become widespread lately. It specifically accuses the Turkish authorities of being complicit in the confiscation of over 30,000 artefacts, before profiling one looter called Firas (a pseudonym), who started excavating after losing his job in 2012. He sells what he finds to local merchants but has no idea what happens to the items afterwards, he says.

Organised fighters are also accused of being responsible, particularly Hayat Tahrir al-Sham (HTS), a militant Sunni Islamist group reported to have used bulldozers, although a spokesman for the group denied it had any involvement in illicit activity.

Most interesting is the genuine attempt to introduce protective measures, first through educating local councils, organisations, universities and schools “to spread the idea that cultural properties must be preserved for next generations; to engage the local community in protection efforts, and to make archaeological sites and antiquities an individual and collective responsibility”.

“The second is legal and administrative, having to do with passing regulations, applicable in the courts. These regulations must criminalize violations against cultural properties and represent a force that deters those who lack ethical constraints and vandalize archaeological sites in search of buried treasures.”

These are exactly the sort of measures that should be introduced to all regions where heritage sites are at risk, but they must also be supported on an on-going basis by national governments.

**FinCEN Warns Art and Antiquities Traders of New AML Measures**

Organized Crime and Corruption Reporting Project: March 11: This is the second such report to rely on bogus and clearly unchecked information sources from OCCRP since October (see January’s newsletter). Both quote the 2018 report by the Standard Chartered Bank, which regurgitates bogus information for which it gives no source – although it appears to be the inaccurate claims published by either Interpol (which has acknowledged the error) or the United Nations Office for Drugs and Crime (UNODC) in its 2016 report *PRACTICAL ASSISTANCE TOOL to assist in the implementation of the International Guidelines for Crime Prevention and Criminal Justice Responses with Respect to Trafficking in Cultural Property and Other Related Offences*. UNODC, which has not acknowledged the error, based its claims on UK parliamentary evidence from 2000, although the parliamentary record does not support the claims at all.

OCCRP also refers to an *Artnet News* article to claim UK art dealers “have already found loopholes to circumvent regulations imposed in January”. This is not true, nor does *Artnet News* say so. In fact, the UK has identified a problem with dealers’ understanding of the law, not their application of it since active enforcement will not apply until after June 10, but no loophole exists.


**Culture Minister welcomes bipartisan US resolution calling for return of Parthenon Marbles**

Ekathimerini.com: March 20: Following UK prime minister Boris Johnson’s declaration that the Parthenon Marbles had been acquired legally by the British and would remain in the British Museum, the backlash has included this support from US politicians. Greek Culture Minister Lina Mendoni attempted to strengthen Greece’s claim and the condemnation of the UK stance by criticising it as undemocratic and evidence of continued attachment to “colonial ideas”.


**Lorry driver sentenced after Bulgarian coins and antiquities seized at Dover**

Antiques Trade Gazette: March 24: The successful culmination of a joint operation between EU-based law enforcement and the UK’s Art and Antiques Unit, the jailing for two years of a Bulgarian lorry driver, Dimitar Dimitrov (pictured here in an official Kent Police photo), for two years has prevented illicit coins and antiquities from being fed into the UK domestic market. Valued at £76,000, the haul included coins, pendants, brooches, statues and spearheads, according to official reports.

As Detective Constable Max Gregory of Kent Police, who were also involved in the capture, told the media, Bulgaria is a hotspot for illicit material. Along with Romania, Bulgaria is subject to domestic cultural heritage exploitation by criminal gangs, as well as acting as a gateway for looted material being smuggled out of places like Syria via Turkey. Arrests and seizures in transnational operations like Pandora, as well as annual reports from the World Customs Organisation, reflect this trend.

Other reports on this case note that the items were being smuggled into the UK to sell on to collectors. What has not been reported anywhere, as far as IADAA can see, is exactly how this was supposed to be carried out. It is one thing for the criminals to have that intent, another for them to carry it out successfully. If the police are also following up on this point, it would be helpful to have information on this for better protection of the legitimate market.

**Egypt inaugurates 1st archaeological replicas factory in Middle East**

Daily News: March 28: Egypt’s Minister of Tourism and Antiquities Khaled El-Anani has inaugurated the first factory of archaeological replicas in the country and the Middle East. Although the minister said that the project is not commercial, but rather aims to introduce Egyptian industry to the world, the article notes that it will help meets Egypt’s tourism and economic needs, while developing material resources and increase national income.

Another objective is to help protect Egyptian cultural heritage and the intellectual property rights of the country’s antiquities, although it does not specify how the project will do this.

“El-Anani noted that every replica produced at the factory bears a special Supreme Council of Antiquities stamp, and an approved certificate stating that it is a counterfeit piece and a true copy and produced by the Ministry.

“This is in addition to a barcode, through which all information on this piece can be identified in Arabic and English. The information includes details of materials used, the product’s weight, name and place of display of the original piece, which contributes to protecting the unit’s products from counterfeiting.”


**Bulldozers and looting threaten Libya’s ancient treasures**

ArtDaily (AFP): March 29: This article highlights the tensions between government administration and the general population when it comes to protected lands and the demand for property.

Although the central area of Cyrene has been fenced off for protection by the authorities, land surrounding it also contains precious artefacts that should be protected according to the local department of antiquities.

However, local people who own the land want to make the best of their assets either by building on it themselves or by selling it off to property developers.

“Some people are coming in and bulldozing areas containing artefacts, dividing them and selling them, then building housing blocks on top of these priceless sites,” said Adel Abu Fejra, of the Cyrene department of antiquities. And he adds that his department “can’t even measure” how much has been lost, as the plots “are outside the fenced area under our protection”.

On the other side of the argument is Saad Mahmoud, who owns farmland nearby. “They want us to stop using our land around the ruins, saying there are still artefacts underneath them – but this is our land, and we have the right to exploit it.

“It’s up to the state to find solutions and pay landowners compensation that fits with the rising prices of real estate, which have made it hard for us to find alternatives.”

https://bit.ly/3u3rc3h