

Crossing Borders in Arts & Heritage

*Combating illicit trade in art and
cultural goods and the challenges
for the customs authorities*

Dr. Mahmut Kobal
Maastricht | 18th March 2018



Anecdote



***PopArt Blue
Retro-style Fridge***
by Samsung

8418 10 20



Sunflowers
by the Dutch painter
Vincent van Gogh

9701 10 00

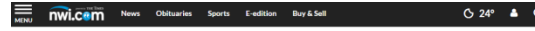
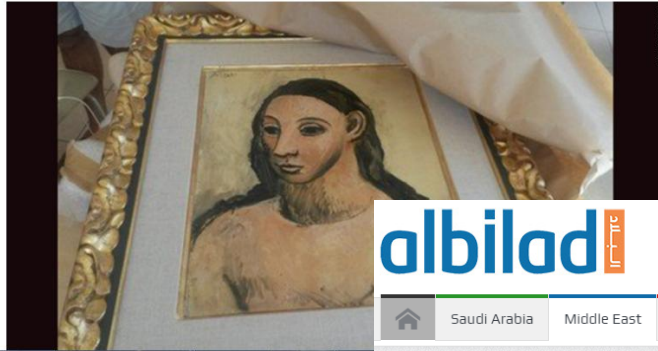
+++ Breaking News +++ Breaking News +++ Breaking News +++



A Picasso worth \$27 million is seized by customs officials in France

By: CNN

Updated 5:59 PM EDT, Tue August 04, 2015



Customs agents retrieve Mexican artifact being shipped from Indiana

Chicago CBP Intercepts Small but Rare Mexican Pre-Columbian Artifact



Persepolis Relief seized from New York Art Fair



HOME > NEWSROOM > 3561 ARTEFACTS SEIZED IN OPERATION PANDORA

3561 ARTEFACTS SEIZED IN OPERATION PANDORA

23 January 2017

Press Release



Europol has joined forces with law enforcement authorities from 18 countries, INTERPOL, the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the World Customs Organization (WCO) to tackle the theft and illicit trafficking of cultural goods.

Operation Pandora was successfully led by Cypriot and Spanish police and resulted in:

- 3 561 works of art and cultural goods were seized, almost half of which were archaeological objects; 500 archaeological objects were found in Murcia, Spain, of



BREAKING NEWS ations > Saudi Crown Prince Mohammed Bin Salman meets Archbishop of C



Kuwait customs seized suspected Pharaonic statue



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Trafficking of Cultural Property

Every year

thousands of artefacts disappear from museums, churches, private collections or public institutions or due to **looting and destruction of cultural heritage sites** in conflict zones.

From antique weapons to paintings, from coins to watches, from religious objects to archaeological finds, tens of thousands of specimens forming part of the **world's archaeological and cultural heritage** **are stolen.**

Linkages between illicit trafficking in art and cultural objects, money laundering, other criminal activities and possibly terrorism is **very close.**

- *World Customs Organisation 2018* -

Commitment

UNESCO-Convention [1970]

Article 2 (1) [...] recognize that the illicit import, export and transfer of ownership of cultural property is one of the main causes of the **impoverishment of the cultural heritage of the countries of origin of such property** [...]

Article 3 The import, export or transfer of ownership of cultural property effected contrary to the provisions adopted under this Convention by the States Parties thereto, shall be illicit.

International Code of Ethics for Dealers in Cultural Property [UNESCO 1999]

Article 1 Professional traders in cultural property will not import, export or transfer the ownership of this property when they have **reasonable cause to believe** it has been stolen, illegally alienated, clandestinely excavated or illegally exported.

Corporate Social Responsibility

CHRISTIE'S

ART + SOUL | CORPORATE
CHRISTIE'S | SOCIAL
RESPONSIBILITY

— Cultural Stewardship —

Our policy on the looting of cultural property

The looting of archaeological sites and the destruction of historic buildings and monuments continues to be a major concern in the art world.

When handling works of antiquity or any work of art, Christie's adheres to bilateral treaties and international laws related to cultural property and patrimony. We have strict procedures in place to help to ensure we only offer works of art which we are entitled to sell and, as a part of that due diligence, we work closely in partnership with many national and international organization that pursue the same goals.

Sotheby's

Code of
BUSINESS CONDUCT

OUR COMMITMENT
TO LAWFUL BUSINESS PRACTICES
AND A LAWFUL MARKET
Auction Conduct
Antitrust and Unfair Competition
Anti-Money Laundering and Terrorist Fi
Anti-Corruption, Anti-Bribery
Legal Movement and Sale of Property
Due Diligence

All applicable export control requirements including licensing requirements for art and cultural property;

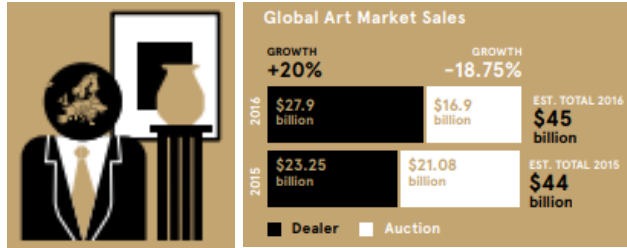
Any US restrictions on doing business with certain foreign countries, including economic sanctions and prohibitions;

The trade laws and regulations associated with the countries in which you do business.



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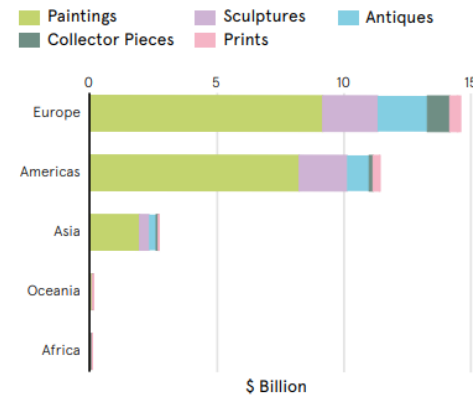
Globalisation and business in arts and cultural goods



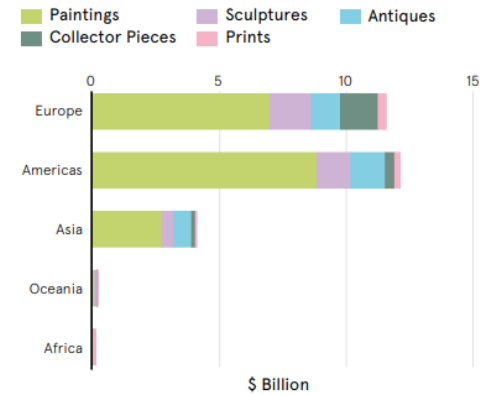
Market Share of Top 3 Art Countries resulting in 71,5%



World Art Trade Exports

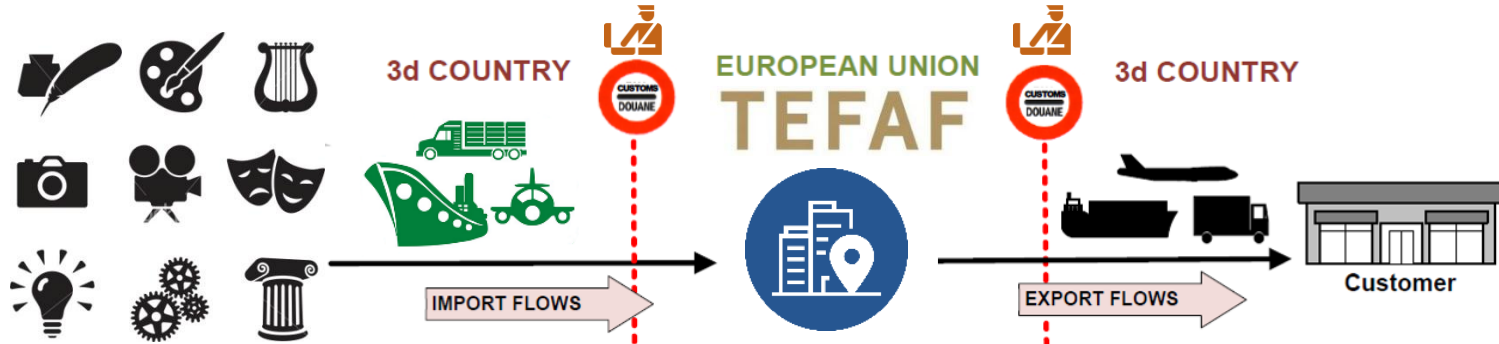


World Art Trade Imports



Maastricht University Graphic Source: DESA/UNSD United Nations Comtrade database

Supply chain, customs procedures and operations [simplified]



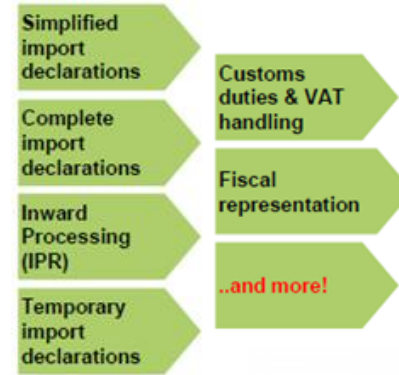
Before Shipping



During Transportation



After Delivery



The role of the WCO and the customs authorities



UN Security Council Resolution 2347/2017

17. *Calls upon* Member States, in order to prevent and counter trafficking of cultural property illegally appropriated and exported in the context of armed conflicts, notably by terrorist groups, to consider adopting the following measures, in relation to such cultural property:

Effective export and import regulations

(b) **Adopting adequate and effective regulations on export and import**, including certification of provenance where appropriate, of cultural property, consistent with international standards;

(c) **Supporting and contributing to update the World Customs Organization (WCO) Harmonized System Nomenclature and Classification of Goods;**

(d) **Establishing, where appropriate, in accordance with national legislation and procedures, specialized units in central and local administrations as well as appointing customs and law enforcement dedicated personnel, and providing them, as well as public prosecutors, with effective tools and adequate training;**

(f) **Using and contributing to the INTERPOL Database of Stolen Works of Art, UNESCO Database of National Cultural Heritage Laws, and WCO ARCHEO Platform**, and relevant current national databases, as well as providing relevant data and information, as appropriate, on investigations and prosecutions of relevant crimes and related outcome to UNODC portal SHERLOC and on seizures of cultural property to the Analytical Support and Sanctions Monitoring Team;

Databases and Data and Information Exchange

Classification of Goods

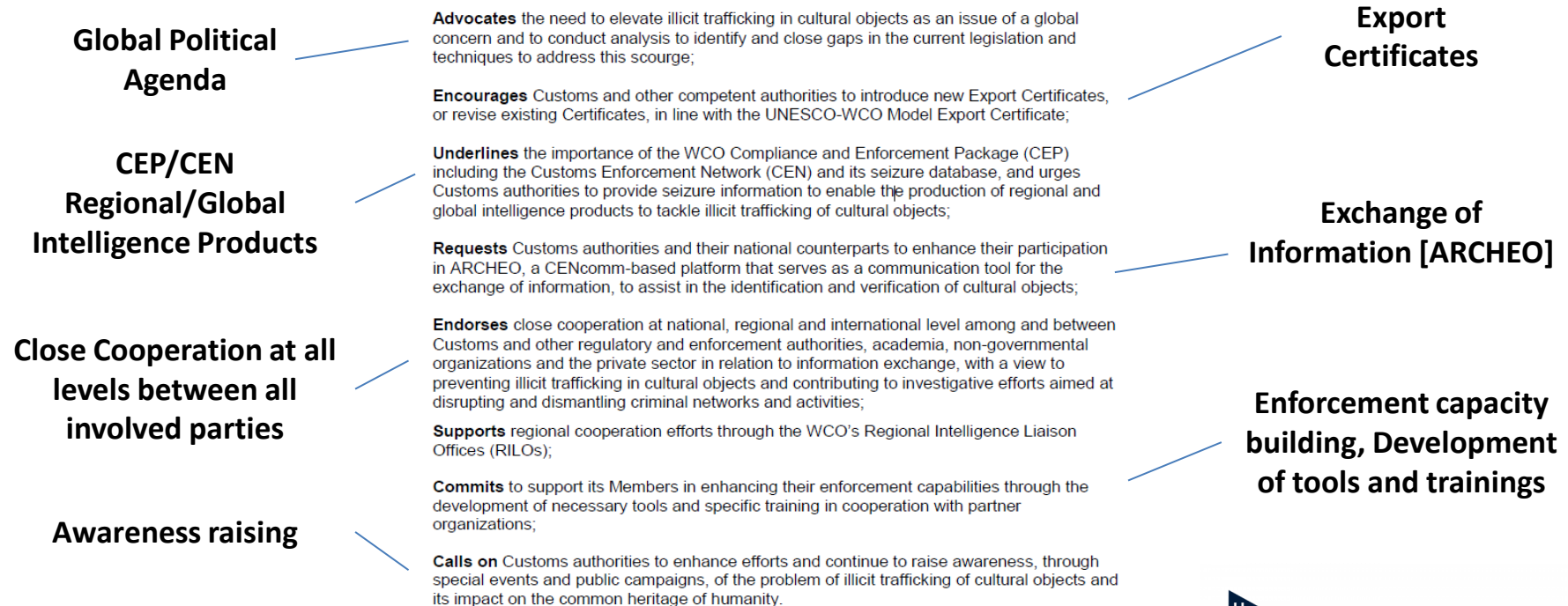
Specialized Units and Personnel



The role of the WCO and the customs authorities

Directors General of the 180 WCO Member Customs administrations unanimously adopted the

WCO Council Resolution on the Role of Customs in Preventing Illicit Trafficking of Cultural Objects (2016)



Enforcement bodies and current operational tools



ICOM
Red List

INTERPOL database
of Stolen Works of Art



WCO Archeo



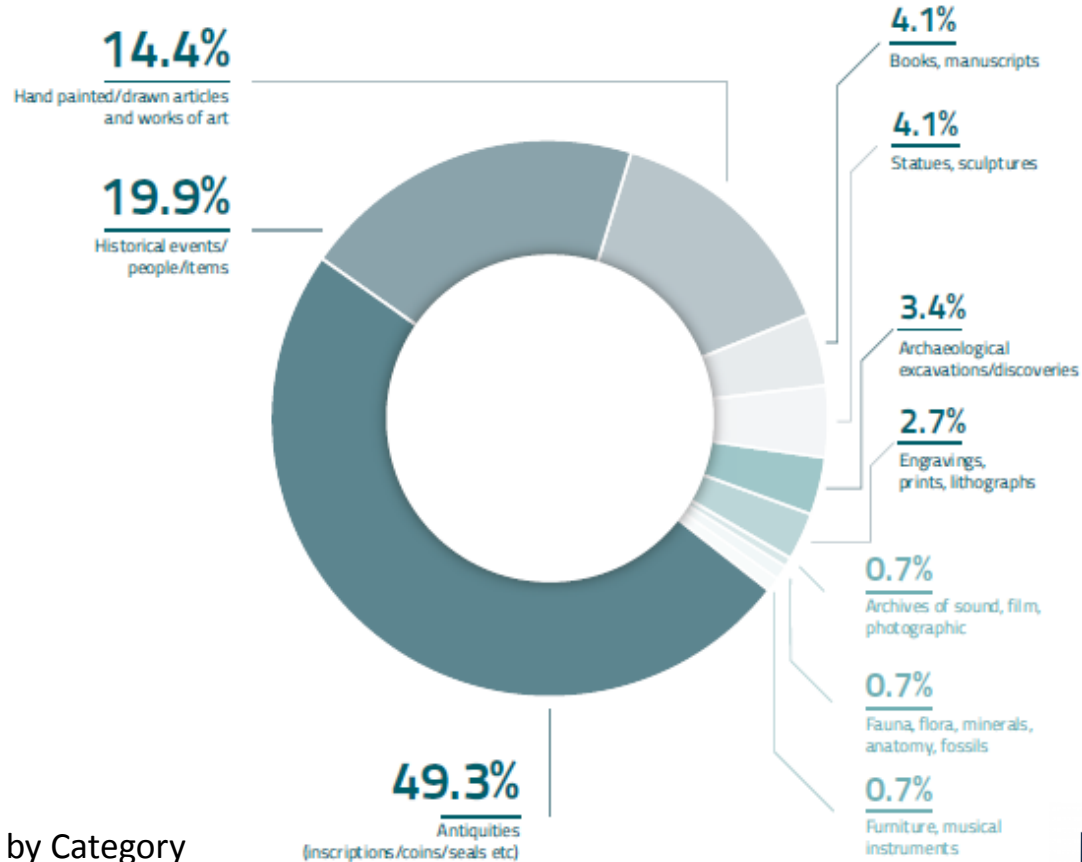
Private/National
Initiatives



Protection System
for Cultural Heritage



WCO – illicit Trade Report [2016]



Number of Seizures by Category

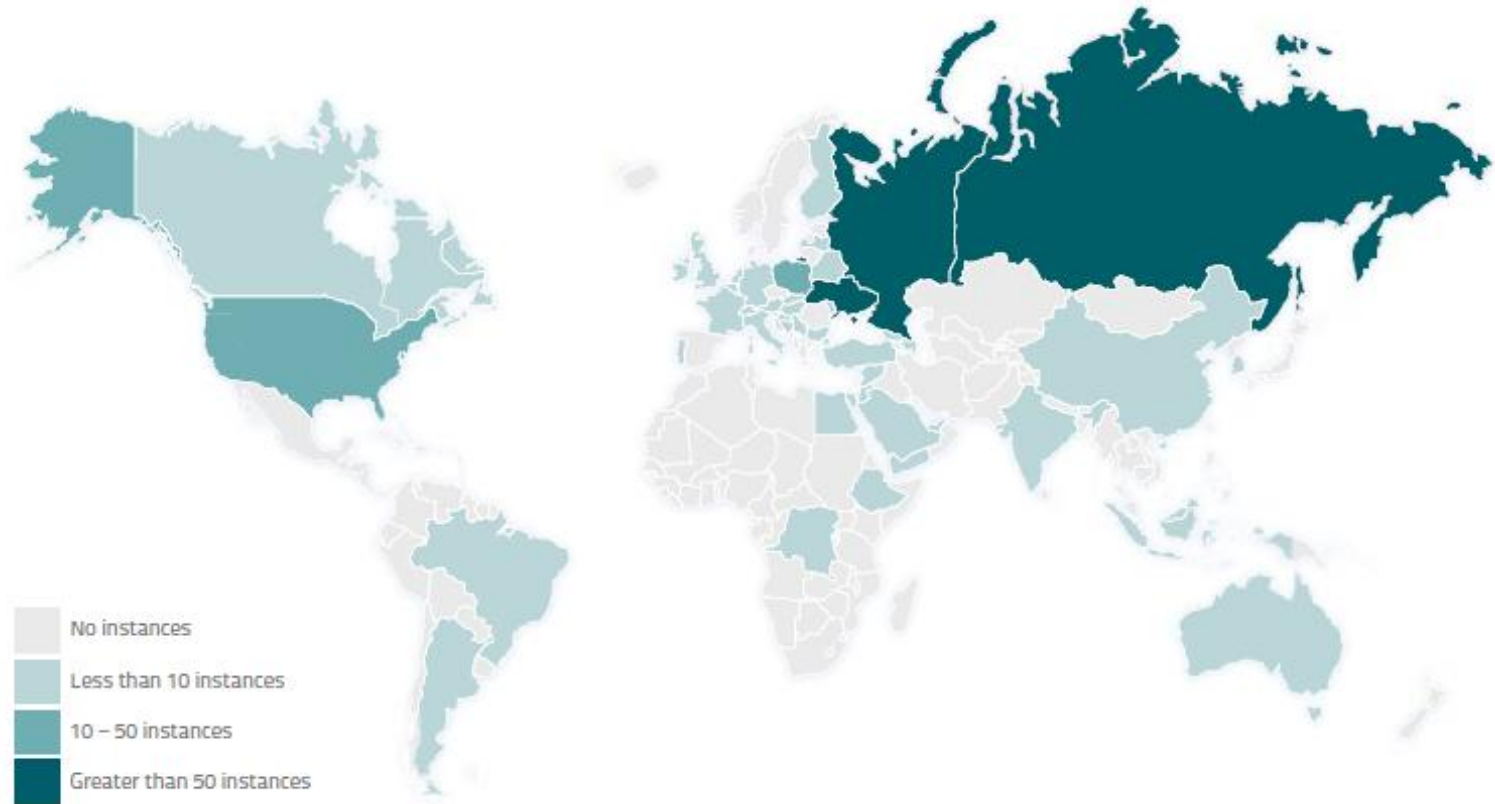


WCO – illicit Trade Report [2016]



Trafficking Flows by Country

WCO – illicit Trade Report [2016]



Heat Map of Trafficking Instances involving Cultural Objects

Operation Pandora

Law enforcement authorities from 18 countries, **EUROPOL**, **INTERPOL**, **UNESCO**, **WCO** led by Cypriot and Spanish police

- **3 561 works of art and cultural goods** were seized, almost half of which were archaeological objects; 500 archaeological objects were found in Murcia, Spain, of which 19 were stolen in 2014 from the Archaeological Museum in Murcia;
- over **400 coins** from different periods were seized following investigations into suspicious online advertisements;
- **75 individuals** were arrested;
- 48 588 persons, 29 340 vehicles and 50 ships were checked;
- **92 new investigations** were initiated.

INTERPOL assisted investigators in the field by cross-checking hundreds of objects against their stolen works of art database. They also provided a swift response when identifying artefacts of illicit provenance.

WCO supported the joint action by facilitating the communication, cooperation and assistance between law enforcement and concerned customs administrations.

UNESCO contributed to the operation by providing training materials and offering recommendations to the participating countries.



Way to go from a customs perspective

- **Differences** between **intra-EU** [no customs declarations, export authorizations] and **ex-EU** [customs declarations and export authorizations] **trafficking**; including 28 different customs administrations and heritage acts. Authorization and export procedures take time.
- **Absence of [EU] regulation** regarding the **import of cultural goods**; Cultural goods [except Iraq/Syria due to regulations] are treated like any other good and are subject to a customs declaration. **Controls** carried out on the importation of cultural goods **are limited**.
- **Absence of practical restrictions/conditions** to trafficking; **need for coherence** with already existing tools and regulations on a national, supranational and international level. **Difficulties in sharing information between** relevant authorities.
- **Complexity** of adequately defining and the lack of common understanding on the [legal] **definition of cultural goods**; costly and difficult identification of such goods in practice .
- The **existence of a profitable commerce** for cultural goods in the EU, with high demand.
- Different **sanctioning systems** based on **different legal grounds and frameworks**.

