


# Illicit Antiquities Trading

Correspondent Banking Academy



# Illicit Antiquities Trafficking



“A concerted effort to preserve our heritage is a vital link to our cultural, educational, aesthetic, inspirational, and economic legacies - all of the things that quite literally make us who we are.”

Steve Berry (Author)

# What is Cultural Heritage?

Cultural Heritage is an expression of the ways of living developed by a community and passed on from generation to generation, including customs, practices, places, objects, artistic expressions and values.

Tangible Cultural Heritage includes;

- Movable cultural heritage (objects, sculptures, coins, manuscripts, paintings)
- Immovable cultural heritage (monuments and archaeological sites)
- Underwater cultural heritage (shipwrecks, underwater ruins and cities)

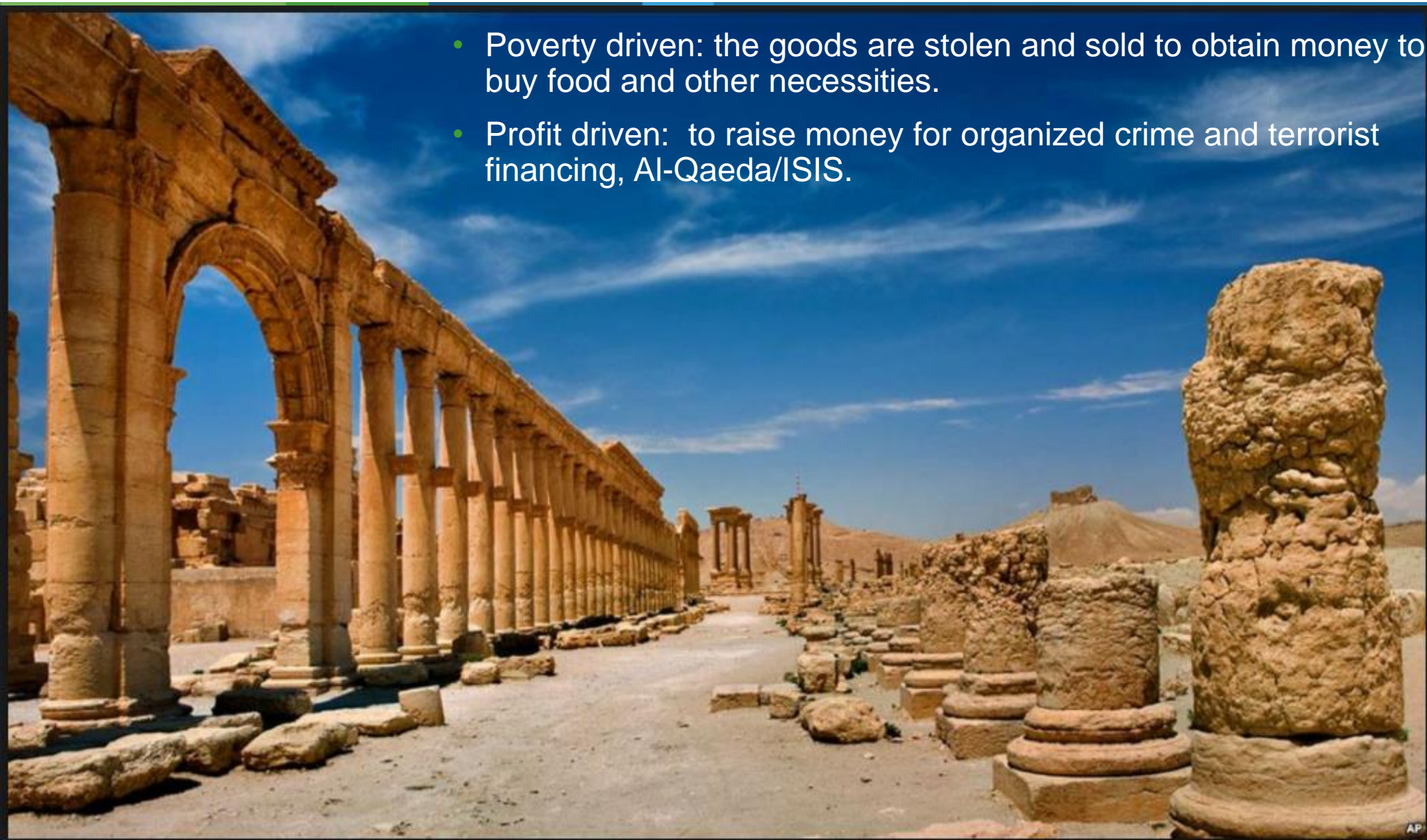
Intangible Cultural Heritage includes;

- Oral traditions, beliefs, lifestyles, performing arts, and rituals.



# Why are antiquities stolen?

- Poverty driven: the goods are stolen and sold to obtain money to buy food and other necessities.
- Profit driven: to raise money for organized crime and terrorist financing, Al-Qaeda/ISIS.





# Triumph's Arch in Syria



# Which Antiquities are Illicitly Traded?

- Artifacts
- Sculptures
- Coins
- Jewelry
- Literature
- Paintings

These are stolen from;

- Archaeological sites
- Ancient sites
- Historic buildings
- Underwater relics
- Museums
- Galleries
- Libraries





# Black Market Antiquities

95-99%

OF THE FINAL PRICE OF A LOOTED  
ARTIFACT IS TYPICALLY POCKETED  
BY MIDDLEMEN AND DEALERS.

127

NATIONS HAVE SINCE 1970 AGREED  
TO COMBAT THE BLACK MARKET  
TRADE OF ANTIQUITIES

99%

ARCHAEOLOGISTS AGREED IN 2013  
SURVEY THAT THE BLACK MARKET  
FOR LOOTED ANTIQUITIES EXISTS

REMOVING CULTURAL MATERIAL WITHOUT CONSENT IS AGAINST THE LAW  
IN ALMOST EVERY COUNTRY

# How much is illegal antiquities trading worth?

United Nations estimates;

- Annual global value from USD3.4 billion to USD6.3 billion, ranking behind the illegal drugs and weapons market.
- ISIS netted from USD150 to USD 200 million annually from stolen artifacts from Syria and Iraq.



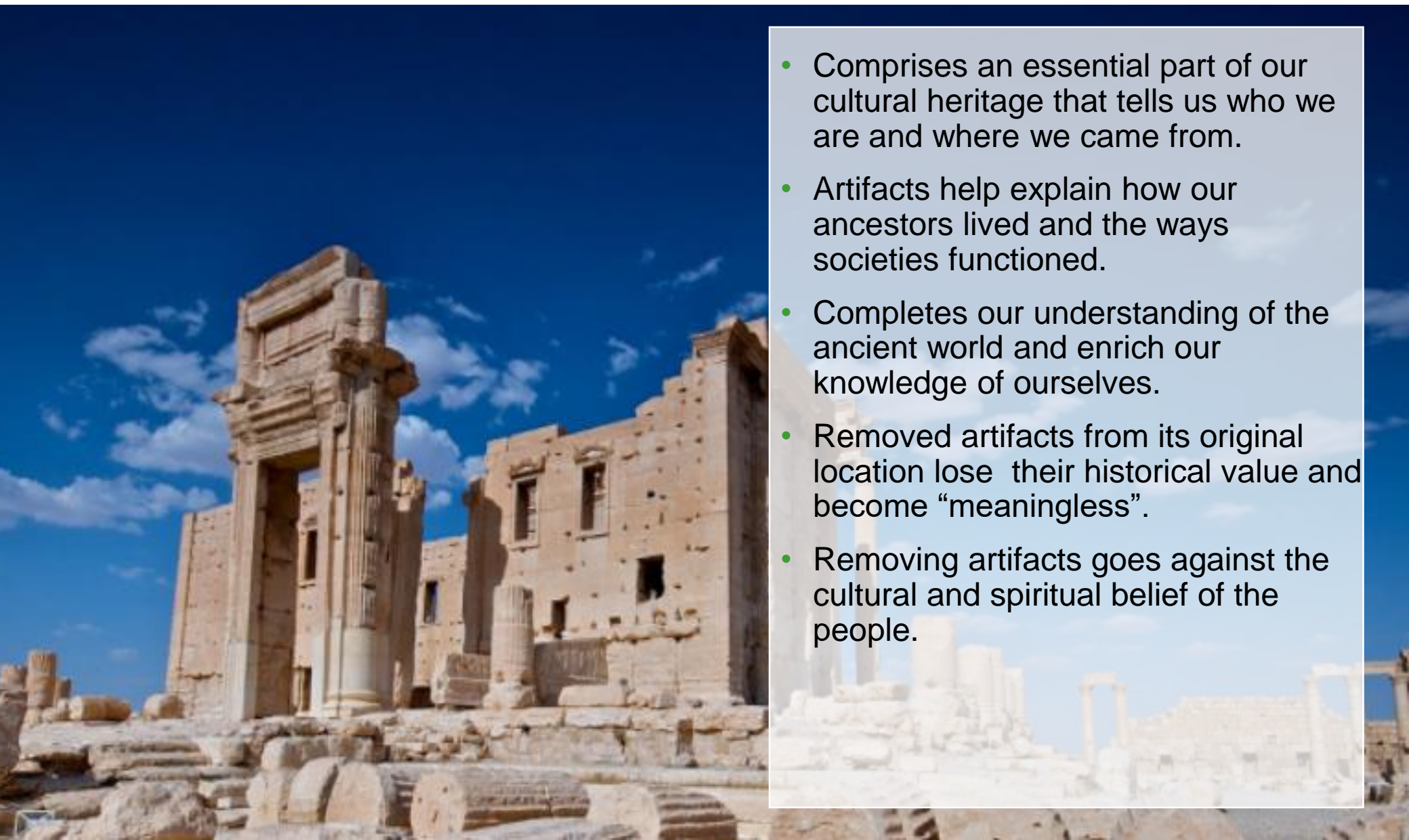


# Three Ancient Statues to Lebanese Republic

- The artefacts date as far back as the 6th century BCE
- Combined value of close to \$6 million
- Excavated from the Temple of Eshmun during the 1960s and '70s
- Disappeared during the Lebanese Civil War



# Why you should protect antiquities?

- 
- Comprises an essential part of our cultural heritage that tells us who we are and where we came from.
  - Artifacts help explain how our ancestors lived and the ways societies functioned.
  - Completes our understanding of the ancient world and enrich our knowledge of ourselves.
  - Removed artifacts from its original location lose their historical value and become “meaningless”.
  - Removing artifacts goes against the cultural and spiritual belief of the people.



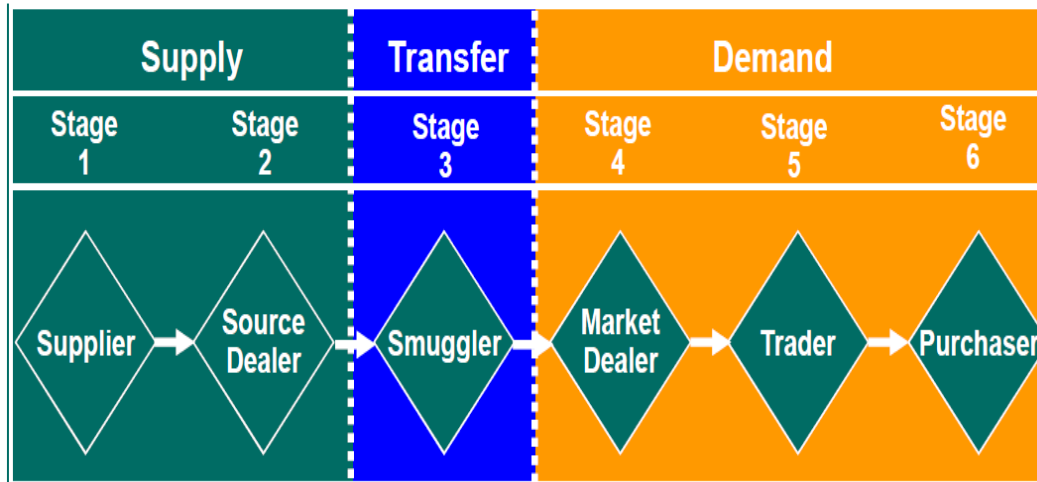
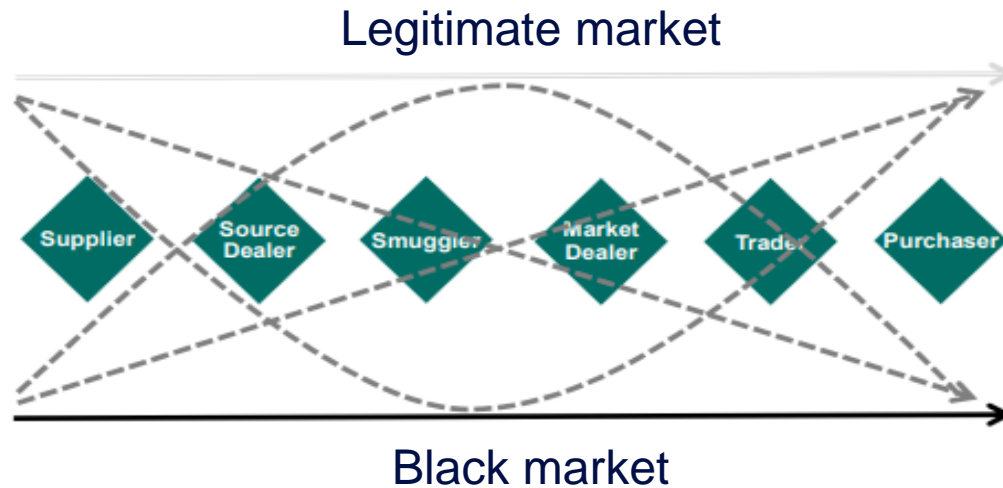
# How do looters and thieves operate?



- Targets poorly secured prehistoric villages, archaeological sites and underwater relics.
- Profit driven thieves use academic publications, state registers, popular publications and satellite-based navigation systems to find archaeological sites.
- Create false provenance and ownership documents to sell goods.
- Goods are mingled with other commodities to transport to final destination.
- Network of shell companies used to buy and sell goods.



# Stages of illicit activity



- The trade in cultural property operates as a grey trade; that is, it is neither entirely legal nor illegal.
- Market regulations are often inconsistent with one another, such that traders can find loopholes; cultural property is thought to be frequently laundered or blackened, although precise figures are not available.
- Illegal trade in cultural property has 6 stages across supply, transfer, and demand



# Sites of Reported Antiquities Looting



# Methods used to sell goods to buyers

Sellers use advertisements in newspapers, flea markets, antique shops, auction houses, national online platforms, black markets, wholesalers and retailers to sell stolen artefacts.



Ancient Roman Marble Head of Janus--The Two Faced God! Sicily, c. 200 BC-300 AD

**\$27,900.00**

Was: ~~\$46,500.00~~

or Best Offer

Free Shipping

40% off



X-RARE Chinese Tang Dyn. Buddhist Reliquary Rock Crystal & Gilded Bronze Casket

Auction appraisal estimate of US \$400,000--\$500,000!

Pre-owned

**£75,604.73**

Was: ~~£126,007.88~~

or Best Offer

+ £38.63 postage

40% off

From United States

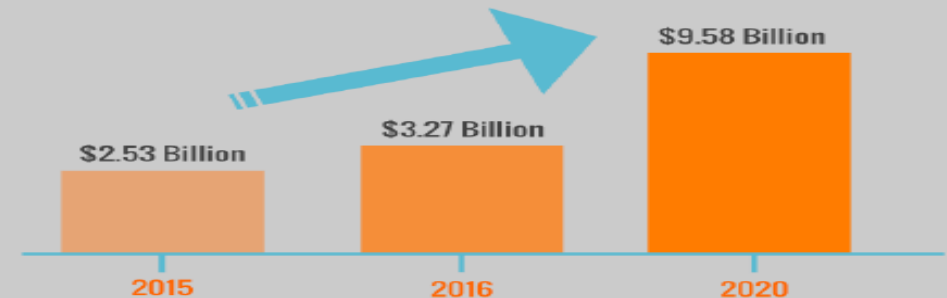


# Online Sales



The online market is an increasingly popular venue for **illicit art and antiquities** sales. The growing demand for these items contributes to ongoing **looting, trafficking, and cultural racketeering.**

## Digital Art Market Sales Growth



## eBay Collectible Sales:

- 5 collectibles per second
- \$15,000 every minute
- Over \$1.2B annually



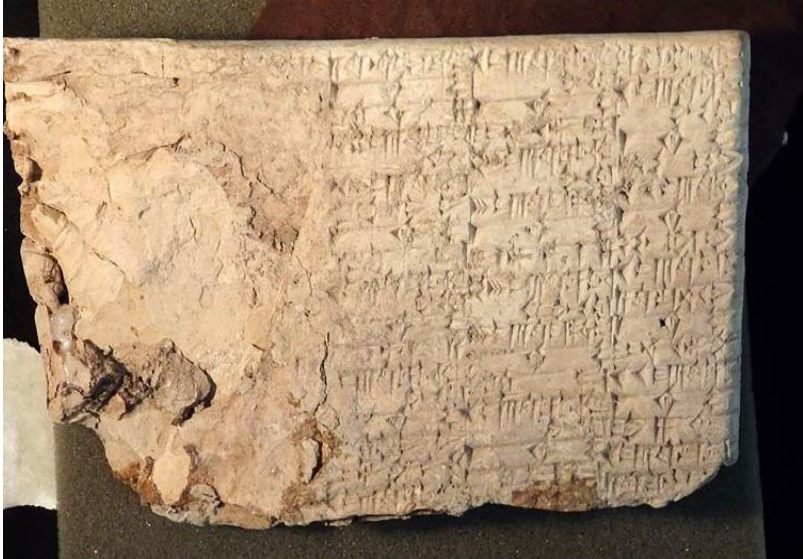
In 2014, eBay removed the sale listings of

# 125

Egyptian artifacts that were identified by Egypt's Ministry of Antiquities as looted objects

On any given day there are at least **10,000** antiquities and ancient coins for sale online, with an estimated total asking price of over **\$10 million**

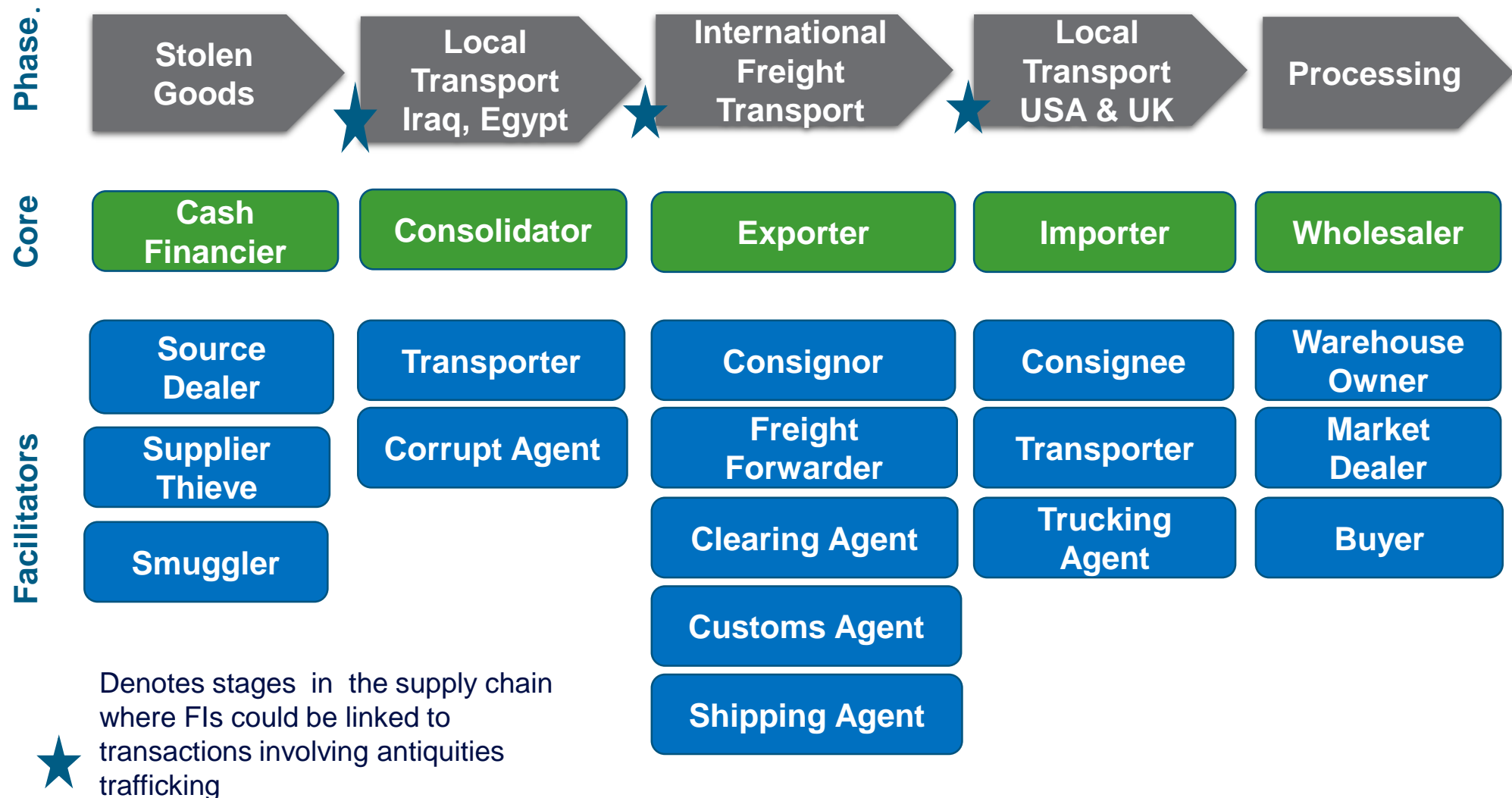
# Case Study: Hobby Lobby



- Hobby Lobby president and an antiquities consultant went to the United Arab Emirates to inspect a large number of rare cuneiform tablets
- Experts hired by Hobby Lobby warned executives that the artifacts might have been looted
- 5,500 artifacts including tablets and clay talismans and so-called cylinder seals purchased from an unnamed dealer for \$1.6 million in December 2010.
- Packages that made their way from Israel and the United Arab Emirates
- Marked as tile samples



# Stages of Vulnerability for Financial Institutions



A 2015 report from FATF on terrorist organizations financing indicated;

- Individuals buying antiquities at some point intersect with financial institutions to send payments.
- Financing for buying tainted antiquities can be disrupted if auction houses, financial institutions, and legitimate businesses urge financial institutions to implement policies that require certified documentation identifying the origin of the artifacts.
- Financial institutions should refrain from processing transactions for antiquities that originate from Iraq and Syria.
- Antiquities Dealers should report suspicious behavior, fraudulent paperwork or knowledge of stolen artifact circulation to local authorities.



# Red Flags - Antiquities

- Goods are presented with limited or no provenance documentation.
- Goods are shipped under vague headings.
- Goods do not match the vendor's business line.
- Shipments are from areas of conflict, civil unrest or bordering countries.
- Clients ask questions about procedures for reporting suspicious activity to tax authorities.
- Clients suggest unusually complicated structures for achieving a purchase or sale.
- Seller is reluctant to provide written evidence of provenance.
- Seller/Consignor is unable to provide proof of ownership to consign.
- Buyer arrange payment from an unrelated third party.
- Buyer pays with cheques drawn on banks located outside FATF jurisdiction.
- Shell Companies used to facilitate buying and selling goods.



# What are the risks to Financial Institutions?

- Onboarding clients involved in illegal antiquities trading.
- Processing payments for stolen goods.
- Goods may be owned by sanctioned countries.
- Inadequate or lack of training and awareness.
- Inadequate or lack of red flags to identify issues.





# What Can Financial Institutions Do?



POLICIES

PROCEDURE

To help protect and preserve our cultural heritage, financial institutions should;

- Develop/maintain policies and procedures
- Conduct training on illicit antiquities risks
- Develop/maintain red flags
- Require documents for transactions related to art, antiques
- Perform transaction monitoring
- Report suspicious activity

Thank You





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