

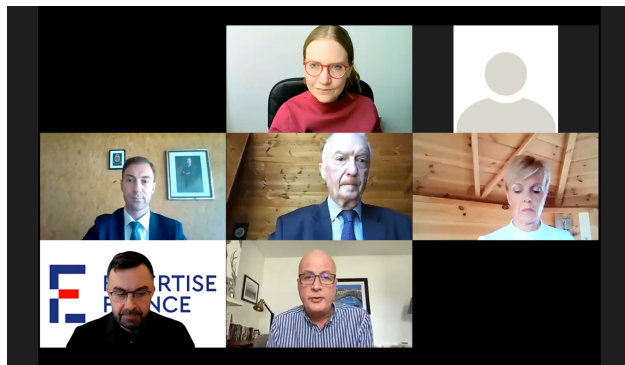


## EU AML / CFT GLOBAL FACILITY

### The European Union's Global Facility on Anti-Money Laundering and Countering the Financing of Terrorism holds a webinar on blood antiquities, conflict looting and art theft.

On 27th April 2021 the EU Global Facility on Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) hosted the first of a series of events focused on the disruption of money laundering and terrorist financing networks involved in the trafficking of blood antiquities, conflict looting and art theft

The webinar, which witnessed the attendance of some 127 participants, saw a panel of experts discussing the question *"Criminal networks trafficking antiquities: can we disrupt the market?"*



#### The aims of the event were:

- To promote the work of the EU AML/CFT GF and its role in providing technical assistance on AML/CFT to law enforcement agencies from partner countries.
- To improve the awareness of law enforcement agencies on the AML/CFT risks associated with illicit trafficking.
- To provide a forum where international experts and law enforcement agencies have an opportunity to discuss approaches to disrupting illicit networks involved in the trade.

The webinar sought to build on ties already established with partner countries involved in ongoing AML/CFT training, as well as with public and private sector organisations associated with cultural heritage and the art world.

The event generated significant interest with participants from a wide range of areas, including EU services, law enforcement representatives from EU Member States and partner countries, academic institutions and professionals from the art world.

### Opening Remarks

The meeting was opened by **Mr Jerome Heitz, Director of the Peace, Security and Stability Department, Expertise France**, who described the key role played by the EU AML/CFT Global Facility and its cooperative approach to supporting -currently nine- partner countries.

An introduction to the debate was then made by **Mr Gilles de Kerchove, Counter Terrorism Coordinator, European Council**, who highlighted the importance of the topic being discussed. The cultural dimension adds a layer of complexity not seen in other areas of criminal and terrorist financing such as drugs and human trafficking.

Key areas of improvement include better data collection and sharing for both investigation and strategic overview, cooperation and increased focus by law enforcement agencies, improving the expertise of countries by supporting dedicated units in addition to improving the awareness of financial opportunities, and developing partnerships between the public and private sector, not least in making sure that law enforcement have access to the right experts for support and guidance.



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### Agenda

The agenda then saw Mr Tim Hanley QPM, Key expert for Law Enforcement with the EU AML/CFT Global Facility, leading a panel of international experts in discussions on strategic areas:

- *Restricting the movement of illicit objects*
- *Restricting the movement of illegal money*
- *Improving the sharing of appropriate information*



### Speaker 1 Professor Donna Yates, Maastricht University

An internationally recognised expert in the field of antiquities Professor Yates has written books, published reports and contributed numerous articles on cultural heritage. She has recently been awarded a European Research Council grant to study how objects influence criminal networks.

Professor Yates discussed issues that might assist law enforcement agencies in *Restricting the movement of illicit objects*. The demand for clean, pristine objects means that traffickers want professionals to clean the objects properly. An object in transit which is dirty, or a number painted or marked on an object, may indicate it has been stolen from an excavation site. Professor Yates also highlighted the existence of 'Red Lists', websites dedicated to referencing the types of objects that may be at risk. Improving the familiarisation of law enforcement agencies with the type of objects that are at risk is a basic, but very important step.

A discussion also took place on new rules being considered by member states which serve to highlight how serious this area was being taken by the EU. An example was given of the increased importance of export permits from the country of origin. Professor Yates described the focus on AML regulation as an interesting development which is leading to a marked change in how the market will be policed.

### Speaker 2 – Ms Karen Baxter, UK Finance

Ms Baxter is a Managing Director for UK Finance, with responsibility for Intelligence strategy. Previously a senior police commander she was the National Coordinator for Economic Crime across UK policing, working across government to develop broader solutions to economic crime.

Ms Baxter discussed issues around *Restricting the movement of illegal funds*. She described the introduction of regulation into the art markets, through the 5<sup>th</sup> Anti-money laundering directive, as a really important development. However, it is not just about compliance but encouraging those involved in the market to have a more inquisitive mind about the source of funds. Unfortunately, there is an acceptance of illicit objects trafficked away from their source country because of a 'distancing' of the social impact caused by the criminality.

The key point of regulation is stopping the movement of money. The AML/CFT structures have a major impact in supporting law enforcement to disrupt money laundering and terrorist financing.



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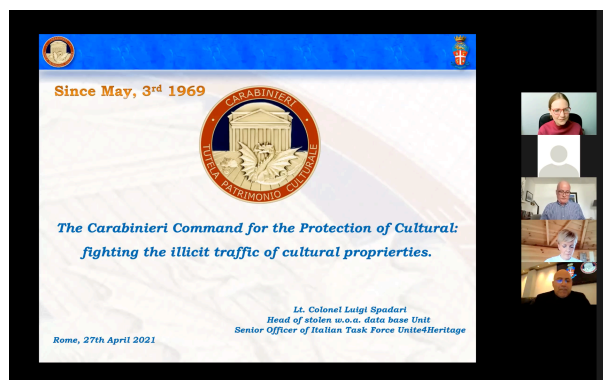


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A key issue also discussed was that of repatriation of the objects, or the illegal funds identified. This is a complex area, and there is a crucial need to ensure that the illegal money seized, and returned, is being used for the right reasons.

### Speaker 3 – Lieutenant Colonel Luigi Spadari, Carabinieri

Lieutenant Colonel Spadari is Chief of the Data Processing Unit in the Carabinieri Command for the Protection of Cultural Heritage. He has played a key role in the management of LEONARDO: The 'Stolen Works of Art' database and has served in a number of countries including Iraq, Kosovo, Croatia and Lebanon. He is also a senior officer of the Italian Task Force 'Unite4Herite'



The Lieutenant Colonel discussed issues in relation to *Improving the sharing of appropriate information*. He detailed the role of the Carabinieri Command for the Protection of Cultural Heritage, and the importance of international cooperation. Particular focus was given to the recovery of stolen items, preventing illegal excavations, trade control and e-commerce control. The Carabinieri have been instrumental in recovering over 3,000,000 stolen artefacts.

He highlighted a need for the sharing of information and the importance of monitoring and checking the art market on a regular basis for suspicious activity. Key developments he discussed included the development of 'artificial intelligence' to identify items.

### Speaker 4 - Inspector Felipe Vergara, CGI- Policía Nacional

A Police inspector in CGI-Policía Nacional, Inspector Vergara has led a specialist Investigation Unit focused on terrorist financing since 2013. He has been involved in numerous investigations into a wide range of activities linked to terrorist financing.

Inspector Vergara provided a presentation on an interesting, high-profile investigation known as Operation "HARMAKHIS". This was an investigation that identified the use of cultural artefacts to finance a terrorist organisation, as well as giving a valuable insight into how the illicit items were moved across a number of jurisdictions.

In pursuing the financial investigations involved it was shown that the terrorist organisation sourcing the items were paid in cash at the point of entry into the criminal network. The main beneficiaries were identified as coming from the art world itself, at the destination end of the chain. Tracking and pursuing financial investigations, and examining accounting records of the business involved, yielded significant results in terms of identifying routes and actors in the network.



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### Closing remarks

Mr. Jorge Bento Silva, Senior Expert - Organised Crime and Firearms, at Directorate-General for Migration and Home Affairs formally closed the event by highlighting some key points:

1. There is a significant increase in attention, and political will, to tackle the issues raised by the illicit trafficking of antiquities for money laundering and terrorist financing. The EU is highly motivated and there is a willingness amongst all member states to take action.
2. The International community has highlighted that there is a consensus, and a clear commitment to improvement in this area. There is a clear window of opportunity to develop and implement solutions to address the dangers of money laundering and terrorist financing.
3. The private sector is invited to take part in dealing with the problem. They have a responsibility to engage, and contribute, to prevent the degradation of the art market.
4. An Action Plan on 'Trafficking of Cultural Goods' will include wide ranging cooperation and focus on very specific aspects of the problem. There will be a full public consultation which seeks the views of all those attending today, particularly the views of law enforcement.

### Conclusion

On behalf of EU GF-AML/ CFT, Tim Hanley highlighted the conclusion from today's event.

*"Criminal networks involved in trafficking antiquities: can we disrupt the markets".* The answer is yes.

There is a window of opportunity for both the private and public sector if there is recognition of:

- The importance of international cooperation, and familiarisation with the risks, in restricting the movement of illicit objects.
- The key role played by anti-money laundering regulation, and financial investigation capability, in restricting the movement of illegal funds; and
- The need for a clear intelligence strategy to improve the collection and sharing of appropriate information.



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