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Testimony from the Department of State, Bureau of Educational and Cultural Affairs on  
The Exploitation of Cultural Property: Examining Illicit Activity in the Antiquities and Art Trade

Before the

United States House of Representatives  
Committee on Financial Services  
Subcommittee on Terrorism and Illicit Finance  
June 23, 2017

- Thank you to the Honorable Steve Pearce, chairman, the Honorable Ed Perlmutter, ranking member, and the members of the Subcommittee on Terrorism and Illicit Finance for inviting me here today to testify on the topic of criminal and terrorist groups' use of the antiquities and art trade to engage in illicit activity and finance their operations.
- The Department of State has been involved for decades in efforts to prevent the pillage and trafficking of cultural property. We recently submitted a report to Congress, as required by the Protect and Preserve International Cultural Property Act, on executive-branch efforts to protect this kind of heritage around the world since the law was signed in May 2016. Today, I would like to emphasize several notable examples of the State Department's efforts, primarily in the Middle East, and offer our assessment of the scale and some features of the threats to cultural heritage posed by criminal and terrorist groups.
- The 1983 Convention on Cultural Property Implementation Act, or C-P-I-A for short, implements obligations of the United States under the 1970 UNESCO Convention on the

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Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property. The CPIA provides a general legal framework by which the United States Government can combat pillage and trafficking of cultural property through bilateral agreements. One important feature of these agreements, entered into with partner countries pursuant to the CPIA and administered by the Bureau of Educational and Cultural Affairs' Cultural Heritage Center, is the imposition of import restrictions on certain categories of archaeological or ethnological material determined to be in jeopardy of pillage.

- Import restrictions are intended to reduce the incentive for looting and trafficking of these kinds of objects by closing off the U.S. market for art, antiques, and antiquities, which is the world's largest such market with 43% of global market share according to 2016 statistics by The European Fine Art Foundation. To date, pursuant to the CPIA, we have concluded bilateral agreements with 16 countries and implemented import restrictions on an emergency basis, pursuant to legislation enacted by Congress, for Iraq and Syria.
- The State Department also coordinates interagency efforts to promote law enforcement and other activities designed to interdict trafficked cultural property. The highest level body we convene is the Cultural Heritage Coordinating Committee (CHCC), which was established last year consistent with the Sense of Congress in the Protect and Preserve International Cultural Property Act. The CHCC is chaired by the Assistant Secretary for Educational and Cultural Affairs and comprises senior representatives from the Departments of State, Homeland Security (DHS – Immigration and Customs

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Enforcement (ICE) and Customs and Border Protection (CBP)), Interior (National Park Service (NPS)), Justice (DOJ, including the Federal Bureau of Investigation (FBI)), and Defense (DOD), and the Smithsonian Institution. The CHCC has met three times, in November 2016, March 2017, and June 2017, and will next meet in September of this year. The CHCC established two working groups (on technology and on partnerships and public awareness) that have each met twice, in February and May 2017. A third group, the DOS-led Cultural Antiquities Task Force (CATF) which focuses on law enforcement collaboration and training, met most recently on June 7, 2017. The role of CHCC is to help coordinate interagency efforts on cultural heritage protection and preservation, to share information about new developments and best practices and to provide policy guidance and direction to the working groups and CATF.

- CATF was established by the Department in 2004 at the direction of Congress. Originally charged with responding to looting in Iraq and Afghanistan, its mandate has been expanded to combat antiquities trafficking and looting of archaeological sites around the world by identifying and supporting effective law enforcement as well as diplomatic and other programmatic measures.
- CATF comprises representatives from the Departments of State, Homeland Security, Justice, Defense, and Interior, as well as the Internal Revenue Service. It works with DHS and the Smithsonian Institution to provide training on the application of U.S. laws and international agreements and the identification of looted and stolen antiquities for U.S.

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customs personnel. State, DHS, and the Smithsonian concluded the most recent training for approximately 25 CBP and ICE agents in April of this year.

- CATF supports international workshops to promote regional cooperation to protect heritage sites and prevent trafficking of cultural objects. It also provides support for international law enforcement efforts to combat theft, looting, and trafficking of historically and culturally significant objects originating in foreign countries.
- CATF supports the production of “Red Lists of Cultural Objects at Risk,” produced by the International Council of Museums. Red Lists are compact, illustrated guides designed to show categories of cultural objects most at risk of pillage and trafficking. One of the most recent CATF-sponsored workshops was a two-day program in Athens, in 2016, that brought together officials and professional staff of the Greek Ministry of Culture, Hellenic National Police (HNP) Antiquities Division, HNP Organized Crime, Greek Customs, Ministry of Finance, Financial & Economic Crime Unit (SDOE), and the Hellenic Coast Guard with representatives of US law enforcement agencies to discuss and develop a plan for improving cooperation to prevent trafficking of looted and stolen cultural objects in the Mediterranean region.
- Another CATF -sponsored project is the Illicit Pathway Attack Strategy, or IPAS [eye-pass], which is a series of studies by DHS on illicit and trafficked antiquities. For these studies, subject-matter experts at State, ICE, and CBP identified and prioritized the most significant illicit pathways of Cultural Property, Art and Antiquities (CPAA) trafficking.

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These law-enforcement sensitive products inform ICE and other U.S. government decision-makers of key trafficking source countries, transshipment cities, and destination cities. They have been used to both identify countries and cities of interest, and share best practices for the conduct of cultural property investigations with law enforcement partners.

- Along these lines, recently the State Department's Bureau of Counterterrorism and Countering Violent Extremism issued a call for proposals for a project to improve understanding of the antiquities trafficking networks and destination markets, as well as to develop tools, mechanisms, and best practices to interdict and prevent the trafficking of cultural property that could finance terrorism. This project aims to identify the individuals, entities, and networks used to trade Iraqi and Syrian cultural property, as well as understand and prioritize capability and capacity gaps of key law enforcement agencies responsible for taking countering-terrorist-finance action in identified countries where the purveyors of the cultural property are located. This project is scheduled to begin in September 2017 and will last one year.
- The State Department has laid the groundwork for these and other efforts by working to document the scale of the problem. For example, ECA's Cultural Heritage Center staff regularly examines satellite imagery documenting looting in the Middle East, in our partner bilateral countries, and elsewhere. This work allowed the Department in 2014 to bring to the world's attention the massive looting at the important ancient Syrian city of Dura Europos [DUR-a you-ROPE-us], a Classical-period site on the Euphrates River near

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the border with Iraq, where some of the world's oldest preserved churches and synagogues had been discovered. Although we do not know who looted the site, it is located in an area that at the time was under the control of extremist groups including Jabhat Al Nusra and ISIS.

- To acquire this kind of information more systematically, the State Department's Near Eastern Affairs (NEA) Bureau funded the Safeguarding the Heritage of the Near East Initiative by the academic research organization the American Schools of Oriental Research, or ASOR, in 2015 and 2016. ASOR recorded thousands of heritage sites in Iraq and Syria at risk of looting or damage from conflict and monitored damage and looting to these places using open-source reporting, in-country sources, and satellite imagery analysis. Their work showed that hundreds of sites have been pillaged or damaged since 2011, potentially supplying large amounts of cultural property to illicit trade. The partnership with ASOR has recently been renewed through March 2018; its mandate for monitoring and reporting has been expanded to include Libya in addition to Iraq and Syria.
- The State Department has also provided first-hand evidence of involvement in looting and trafficking by terrorist organizations, notably ISIS. At an event at the Metropolitan Museum of Art in 2015 the State Department made public previously classified documents seized during a U.S. special operations action at the residence of ISIS leader Abu Sayyaf in Syria. According to receipts among these documents, more than \$265,000 in taxes was assessed, suggesting total sales transactions worth more than \$1.25 million

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in a period just from December 2014 to March 2015. On the same day it shared these documents, the State Department announced a Rewards for Justice program offering up to \$5 million for information leading to the significant disruption of the sale or trade of oil and antiquities by, for, on behalf of, or to benefit ISIS. That announcement made headlines around the world, and gave pause, we hope, to some of the shadowy middlemen who make the illegal trafficking possible.

- The State Department also worked closely with the Department of Justice and the U.S. Attorney's Office in Washington, DC to file complaints seeking forfeiture of antiquities associated with ISIS in December 2016. The lawsuit marked the first time that the United States filed an action to forfeit antiquities that are foreign assets of ISIS. The action specifically seeks the forfeiture of a gold ring, two coins and a carved stone depicted in photographs found during the raid of a residence of Abu Sayyaf. These items date to ancient times and are believed to be worth hundreds of thousands of dollars.
- Along with other USG bodies, the State Department has also been active in various international venues on this matter. Acting Under Secretary for Public Diplomacy and Public Affairs Bruce Wharton led the U.S. delegation to the recent G-7 culture ministerial, the first ever devoted to culture, at which cultural heritage preservation was one of the main topics of discussion. The U.S. supported the adoption of UN Security Council Resolutions 2199 and 2347, the latter of which particularly being important in this context as the first-ever UN Security Council Resolution devoted to cultural heritage protection in conflict situations. To take one other example, the State Department showed early leadership on this issue when it convened, together with UNESCO, a roundtable in

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Paris in 2015 on cultural heritage preservation at the occasion of the launch of the updated ICOM Red List for Iraq.

- The State Department has highlighted the ties between trafficking in illicitly acquired antiquities and terror finance in the Counter-ISIS Finance Group. This Group, which includes nearly 40 countries that are part of Global Coalition to Counter ISIL, has focused on ensuring full implementation of the multiple U.N. Security Council resolutions that prohibit all forms of financial support directly or indirectly to ISIS, including funds raised from the illicit trade in stolen cultural heritage objects.
- In all of these international efforts, the State Department has forged and maintained close relations with relevant international and intergovernmental bodies, such as ICOM, the Counter-ISIS Finance Group, the World Customs Organization, the UN Office on Drugs and Crime, other UN bodies such as the UN Security Council Resolution 1267 Monitoring Team, whose excellent staff have taken a close interest in cultural property matters, and INTERPOL, just to name a few.
- As I bring this section to a close I would like to stress that although the Middle East, and especially Syria and Iraq, receive the most attention, the problem of looting and trafficking of cultural property is by no means limited to these areas. There is clear evidence for serious concerns about looting and trafficking in many other areas of the world. Within the United States itself, there are concerns about illegal acquisition and trafficking in cultural objects, including items important for American Indian Tribes, and where there are indications that such items are being illicitly exported, the Department of

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State is working to respond, together with other Federal agencies such as the Departments of Justice, Interior and Homeland Security.

- On the specific topic of criminal and terrorist groups' use of the antiquities and art trade to engage in illicit activity and finance their operations, here is the summary of the best information available to the Department of State on the current situation, again focusing on the situation in the Middle East:
- We know that pillage and looting of cultural heritage sites is taking place on a massive scale. This is clearly demonstrated by several different lines of evidence, including the archival record provided by the Abu Sayyaf documents, documentation by our partner ASOR of widespread looting in Syria, and by the satellite imagery of places like Dura Europos – an ancient city whose history has been largely destroyed through looting.
- The scale of the looting at places like Dura Europos and Apamea [a-puh-MAY-uh] (both in Syria) – two cities whose urban area has been almost entirely covered by looters' pits – strongly suggests that, at least in some places, this looting is not opportunistic but rather is systematic, presumably making use of pre-existing smuggling routes and middlemen and likely being carried out with probable markets in mind.
- The Abu Sayyaf documents make it clear that terrorist organizations such as ISIS are involved in and benefitting from this illicit activity. These documents also make it clear

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that ISIS depends on other actors to assist with carrying out this activity. ISIS, and likely other such groups, do not act alone.

- Preliminary analysis indicates that the focus of looting is at Classical-period sites – that is, sites that can supply Greek and Roman artifacts such as the Classical sites of Dura Europos and Apamea. However, looting at pre-Classical sites is also a major problem. The site of Mari [MAR-ee], also in Syria on the Euphrates River near the border with Iraq, provides a good example. This site dates to the 2<sup>nd</sup> millennium B.C. Because regular archaeological excavations had been carried out there since the 1930s, we know it would be a likely source for objects such as cuneiform tablets and statues.
- We assess, based on the subject-matter expert and law enforcement sources available to us, that at least some material from this illicit trade is entering the United States, by far the world's largest market for art, antiques, and antiquities.
- We are not able to provide any estimate as to the quantity of materials, the monetary value of such objects entering into the United States or in circulation elsewhere in the world, or the primary beneficiaries of this trade (for example, ISIS or some other terrorist or criminal organizations).
- One or more members of the Intelligence Community might be better positioned to further investigate these particular questions, perhaps making use of recent State

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Department-funded products like the Illicit Pathway Attack Strategy studies. We stand ready to offer any further assistance we can to the Intelligence Community on this topic.

- Thank you again for your invitation to participate in this committee hearing. I look forward to your questions.

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