



Department  
for Culture  
Media & Sport

# Export of Objects of Cultural Interest 2015-16

Statistical Release

December 2016

*Export of Objects of Cultural Interest is an Official  
Statistic and has been produced to the standards set out  
in the Code of Practice for Official Statistics*

# Contents

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Chapter 1: Introduction..... 4  
Chapter 2: Key Findings..... 5  
Chapter 3: Detailed Results ..... 7  
Annex A: Background notes ..... 12  
Annex B: Technical details and methodology ..... 13

# Chapter 1: Introduction

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**Released:** 15 December 2016

**Period covered:** May 2015 – April 2016, referred to as 2015-16 throughout

**Geographic coverage:** UK

**Next release:** November/December 2017

## Purpose of this release

The statistical release presents the figures that will be included in the Report on the Operation of the Control related to the export of objects of cultural interest, which the Secretary of State is required to present to Parliament under Section 10 (1)(a) of the Export Control Act 2002 (the Act). The Report is also included in the Export of Objects of Cultural Interest 2015-16, which is the annual report of the Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest (RCEWA).

These figures are collated by the Export Licensing Unit (ELU) at the Arts Council on behalf of the Department for Culture, Media and Sport (DCMS).

The cultural objects described in this publication are objects manufactured or produced more than 50 years before they are due for exportation. These objects are also valued above specified financial thresholds that are required for an individual licence for export out of the United Kingdom whether on a permanent or temporary basis.

The RCEWA will designate an object as a 'national treasure' if it considers that its departure from the UK would be a misfortune on one or more of the following three grounds:

<b>History</b>	<b>Aesthetics</b>	<b>Scholarship</b>
Is it closely connected with our history and national life?	Is it of outstanding aesthetic importance?	Is it of outstanding significance for the study of some particular branch of art, learning or history?
<i>Waverley 1</i>	<i>Waverley 2</i>	<i>Waverley 3</i>

A glossary of definitions of technical or specialist terminology is provided at the end of this report to aid the user (see Annex B).

Accompanying tables for this release are available [here](#).

## Chapter 2: Key Findings

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Between 1 May 2015 and 30 April 2016, there were 10,585<sup>1</sup> applications for export licences, covering a total of 71,731 items.

- 34,999 items, representing 49% of the total and with a total value of £1.48 billion, were issued with export licences after they had been referred to an expert adviser.
- 25 cases were considered by the RCEWA. Of these, it found that 3 did not meet the Waverley Criteria. 1 of the remaining 22 cases was withdrawn following the case hearing and therefore not referred to the Secretary of State.
- In total, 21 cases were referred to the Secretary of State for deferral and the RCEWA's recommendations were accepted in all cases. The aggregate value of the 21 items deferred was £117 million.
- Of the 21 cases where the issue of the export licence was deferred, 9 resulted in acquisitions by institutions or individuals in the United Kingdom (shown below). The objects in these 9 cases had a total value of £7 million (value price at deferral), which represents 6% of the total value of objects placed under deferral.

The 9 cases which resulted in acquisitions were:

- Baird Phonovision disc and Ephemera (£78,750)
- Captain Thomas Davies, *An East View of the Great Cataract of Niagara* (£151,800)
- Anglo-Saxon gilt bronze strip brooch (£10,152)
- Large bowl by Hans Coper (£92,291)
- *St Luke Drawing the Virgin and Child* from the workshop of Dieric Bouts the Elder (£3,383,320)
- A Pair of Charles II Silver Andirons (£649,200)
- A pair of Italian Pietre Dure mounted, inlaid ebony cabinets (£1,308,000)
- Arab Jambiya dagger and scabbard owned by TE Lawrence (£127,000)
- *Nonsuch Palace from the South* by Joris Hoefnagel (£1,200,000)

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<sup>1</sup> This refers to applications received and issued during the reporting period.

Export licences were issued for the objects in 6 of the remaining cases which had a total value of £37.5 million (value price at deferral) representing 32% of the total value of objects placed under deferral.

In 4 cases the licence applications were withdrawn during the deferral periods:

- Rembrandt Harmensz van Rijn, *Portrait of Catrina Hooghsaet* (£35,660,000)
- *Portrait of a Boy* by Ferdinand Bol (£5,326,800)
- Arab robes owned by TE Lawrence (£13,000)
- *A set of nine portraits of the Smythe Family* by Cornelius Ketel (£350,000)

Two cases are still under deferral.

## Chapter 3: Detailed Results

**Table 1 - Secretary of State's Operation of the Control table as required by Section 10 (1)(a) of the Export Control Act 2002**

		1 May 2014 – 30 April 2015	1 May 2015 – 30 April 2016
(a)	Number of applications for individual export licences <sup>2</sup>	12,852	10,585
(b)	Number of above applications which were for manuscripts, documents or archives	1,600	1,798
(c)	Number of items licensed after reference to expert advisers on the question of national importance	31,083	34,999
(d)	Total value of items in (c)	£1,983,542,466	£1,480,594,585
(e)	Number of Open Individual Export Licences (OIEL) in operation having been issued in previous years to regular exporters for the export of (i) manuscripts, documents, archives and photographic positives and negatives; (ii) objects imported into the UK in the past 50 years; (iii) UK origin coins; (iv) the temporary export of a Rolls Royce; (v) the temporary export of objects in soil samples from archaeological sites in Northern Ireland; (vi) the temporary export of objects owned or under the control of national institutions or institutions holding designated collections.	66	67
(f)	Number of items licensed after the Export Licensing Unit was satisfied of import into the UK within the past 50 years	57,693	30,541
(g)	Total value of items in (f)	£10,745,479,486	£8,020,208,014
(h)	Number of items in (f) which were manuscripts, documents or archives	900	1,045
(i)	Total value of items in (h)	£86,456,724	£200,038,074
(j)	Number of items given an EU licence without reference to the question of national importance because they were either: valued at below the appropriate UK monetary limit <sup>3</sup> ; owned by a museum or gallery that had an OIEL; manuscripts valued at £1,500 or less or coins valued at £500 or less and the exporter held a valid OIEL; musical instruments exported for less than three months for use in the course of work by a professional musician; a motor vehicle exported for less than three months for social, domestic or pleasure purposes; a foreign registered motor vehicle exported following importation for less than three months for pleasure purposes; imported into the UK in the last 50 years and were being exported on a temporary basis.	3,501	6,191
(k)	Total value of items in (j)	£3,980,590,056	£2,365,008,475

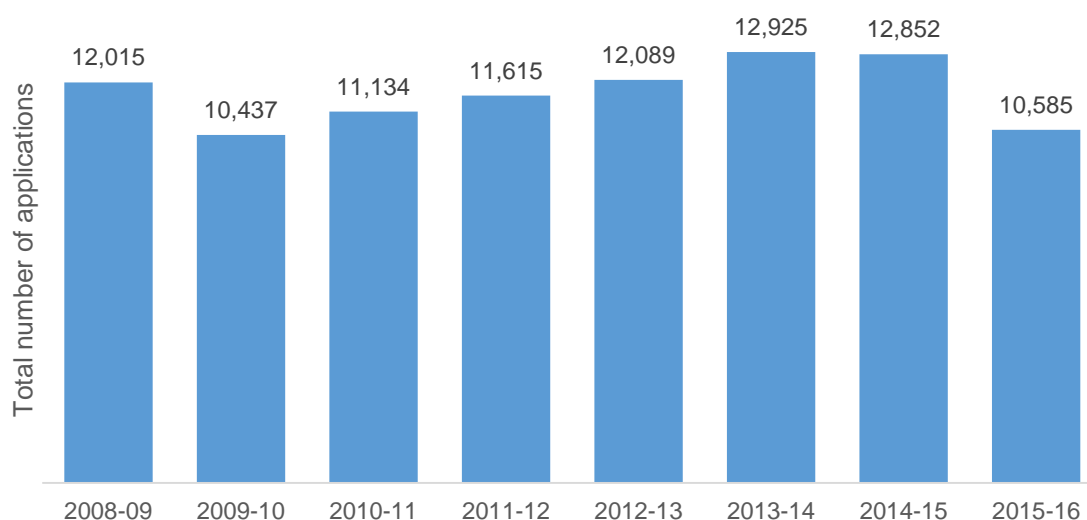
<sup>2</sup> One application (which means applications made and issued) may cover several items.

<sup>3</sup> In some cases, an EU export licence may be required to export items that are valued below the relevant UK monetary limit. In such cases, an EU licence will normally be given without referring the licence application to the expert adviser on the question of national importance.

## Overall findings

Between 1 May 2015 and 30 April 2016, there were 10,585 applications<sup>2</sup> for export licences, covering a total of 71,731 items (see Figure 1). Of these 10,585 applications, 1,798 were for the export of manuscripts, documents or archives.

**Figure 1: The total number of applications for export licences, 2009-10 – 2015-16**



Of the 71,731 items covered between 1 May 2015 and 30 April 2016:

- 34,999 (49%) items, with a total value of £1.48 billion (£1,480,594,585), were issued with export licences after they had been referred to an expert adviser. The value of items with export licences has decreased by 25% since 2014-15, when 31,083 items worth £1.98 billion (£1,983,542,466) were issued with export licences.
- 30,541 (43%) items, with a total value of £8.02 billion (£8,020,208,014) were issued with export licences after the Export Licensing Unit was satisfied that they had been imported into the United Kingdom within the past 50 years,
  - Of these, 1045 were manuscripts, documents or archives covering a total value of £200 million (£200,038,074). The value of items in this category has increased by 131% since 2014-15, where 900 manuscripts, documents or archives had a total value of £86.5 million (£86,456,724).
- 6,191 (9%) of the 71,731 items covered, with a total value of £2.37 billion (£2,365,008,475), were given an EU licence without reference to the question of national importance because the items were either:

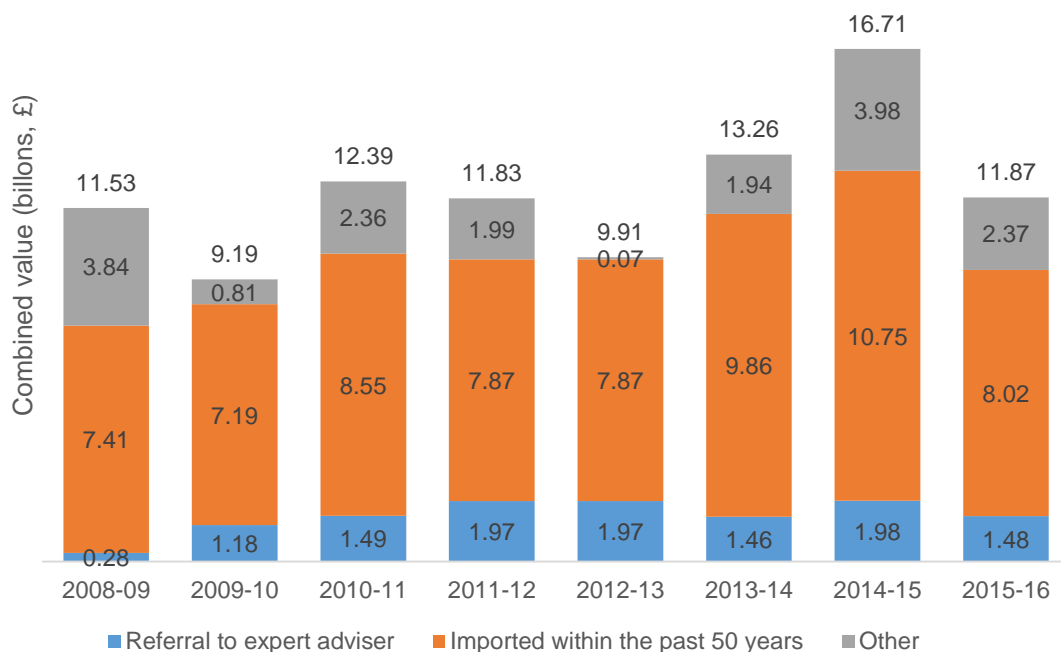


- (a) valued at below the appropriate UK monetary limit;
- (b) owned by a museum or gallery that had an Open Individual Export Licence (OIEL);
- (c) manuscripts valued at £1,500 or less or coins valued at £500 or less and the exporter held a valid OIEL;
- (d) musical instruments exported for less than three months for use in the course of work by a professional musician;
- (e) a motor vehicle exported for less than three months for social, domestic or pleasure purposes;
- (f) a foreign registered motor vehicle exported following importation for less than three months for pleasure purposes;
- (g) imported into the UK in the last 50 years and were being exported on a temporary basis.

This represents a 77% increase in the number of items and a 41% decrease in the total value compared to 2014-15 when 3,501 items with a value of £3,980,590,056 were given an EU licence without reference to the question of national importance for the reasons above.

The combined value of the 71,731 items is £11.9 billion (£11,865,811,074), a 29% decrease on the combined value of items in 2014-15 (£16.7 billion).

**Figure 2: The combined value of items that applied for an export licence, 2009-10 – 2015-16**



## Open Individual Export Licences

67 Open Individual Export Licences issued to regular exporters for certain categories of objects were in operation over this period. .

- (a) 9 for the export of manuscripts, documents, archives and photographic positives and negatives;
- (b) 4 for the export of goods over 50 years of age imported into the UK within the past 50 years;
- (c) 1 for the export of UK origin coins;
- (d) 1 for the temporary export of a Rolls Royce;
- (e) 1 for the temporary export of objects in soil samples that have been taken from archaeological sites in Northern Ireland and
- (f) 51 for the temporary export of objects over 50 years of age owned by or under the control of a national institution or an institution holding a designated collection.

### Export Licence applications referred by Expert Advisers to the RCEWA:

When an export licence application is objected to by an Expert Adviser it is referred to the RCEWA. A meeting of the RCEWA is convened at which the appointed members are usually joined by three independent assessors chosen for their expertise on the object in question who are co-opted onto the RCEWA and are full members for the purposes of the hearing. The export licence application is considered and a recommendation is made to the Secretary of State.

In 2015-16, 25 applications were considered by the RCEWA:

- 3 were found not to meet any of the Waverley criteria
- 22 met at least one of the Waverley criteria and of these 1 was withdrawn following the case hearing and was therefore not referred to the Secretary of State.

The Secretary of State accepted the RCEWA's recommendations for all the 21 applications that it referred to him for deferral.

The aggregate value of the objects in those 21 applications that were deferred was £117 million (£116,580,840). Of these:

- 9 resulted in acquisitions by institutions in the United Kingdom.
  - These had a total value of £7 million (£7,000,513) at deferral, which represents 6 per cent of the total value of objects placed under deferral.
- 4 licence applications were withdrawn after submission to the Secretary of State (£41,349,800).
- Export licences were issued for 6 objects (£37,460,300).
- 2 applications are still under deferral (£30,770,237).

The 4 applications which were withdrawn after submission to the Secretary of State are as follows:

- Rembrandt Harmensz van Rijn, *Portrait of Catrina Hooghsaet* (£35,660,000): During the initial deferral period we were informed by the Art Fund of a serious intention to raise funds to purchase the painting. Before the end of the first deferral period the applicant withdrew their licence application and the painting remained in the UK
- *Portrait of a Boy* by Ferdinand Bol (£5,326,800): During the initial deferral period we were informed of a serious expression of interest in purchasing the painting. Before the end of the first deferral period the applicant withdrew their application and the painting remains in the UK
- Arab robes owned by TE Lawrence (£13,000): During the initial deferral period we were informed of multiple offers to purchase the robes. A decision on the export licence was deferred for a further three months. Before the end of the second deferral period the applicant withdrew their application and the robes remain in the UK
- *A set of nine portraits of the Smythe Family* by Cornelius Ketel (£350,000): Before the end of the first deferral period the applicant withdrew their application. We were subsequently informed that the portraits had been purchased by the Skinners' Company and the portraits remain in the UK.

# Annex A: Background notes

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1. Export of Objects of Cultural Interest is an Official Statistic and has been produced to the standards set out in the Code of Practice for Official Statistics. For more information, see <http://www.statisticsauthority.gov.uk/assessment/code-of-practice/code-of-practice-for-official-statistics.pdf>.
2. This report has been produced by the ELU and RCEWA Secretariat (James Morrison, Peter Rowlands & Anastasia Tennant) at the Arts Council. It was reviewed by Andrew Calnan (policy) and Sarah Lasher (statistician) at the DCMS.
3. The responsible statistician for this release is Sarah Lasher. For enquiries on this release please contact Sarah 020 7211 7676 or [evidence@culture.gov.uk](mailto:evidence@culture.gov.uk).
4. Next Release: The next release is scheduled for November/December 2017.
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# Annex B: Technical details and methodology

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## **Current export controls**

The export controls are derived from both UK and EU legislation. The UK statutory powers are exercised by the Secretary of State under the Export Control Act 2002. Under the Act, the Secretary of State for Culture, Media and Sport has made the Export of Objects of Cultural Interest (Control) Order 2003. Export Controls are also imposed by Council Regulation (EC) No 116/09 on the export of cultural goods (the EU Regulation). The substantive scope of the EU Regulation is to provide for uniform controls at the European Union's external borders. The control is enforced by UK Border Force on behalf of the Commissioners of Customs and Excise.

## **Export Control Act 2002**

The Export Control Act 2002 replaced the export control powers contained within the Import, Export and Customs Powers (Defence) Act 1939 legislation on strategic export controls. It provides a transparent framework and increases Parliamentary accountability. It is the main UK legislation on export controls for cultural goods.

The purpose of the export control is to give an opportunity for the retention in this country of cultural goods considered to be national treasures. The system is designed to strike a balance, as fairly as possible, between the various interests concerned in any application for an export licence - for instance, the protection of the national heritage; the rights of the owners selling the goods; the exporter or overseas purchaser; and the position and reputation of the UK as an international art market.

## **The Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest (RCEWA)**

An independent RCEWA was first appointed in 1952 following the recommendations of the Waverley Committee. It succeeded an earlier Committee of the same name established in 1949, comprising museum directors and officials, which heard appeals against refusals and, from 1950, all cases where refusals were recommended. The RCEWA is a non-statutory independent body whose role is to advise the Secretary of State whether a cultural object which is the subject of an application for an export licence is a national treasure in the context of the Waverley criteria. The RCEWA consists of eight full members appointed by the Secretary of State for Culture, Media and Sport, seven of whom have particular expertise in one or more fields (for example paintings, furniture, manuscripts), and a Chairman, also appointed by the Secretary of State<sup>4</sup>.

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<sup>4</sup> List of members can be found at <http://www.artscouncil.org.uk/document/reviewing-committee-members>

The Committee's terms of reference are:

- i) to advise on the principles which should govern the control of the export of objects of cultural interest under the Export Control Act 2002 and on the operation of the export control system generally;
- ii) to advise the Secretary of State on all cases where refusal of an export licence for an object of cultural interest is suggested on grounds of national importance;
- iii) to advise in cases where a Special Exchequer Grant is needed towards the purchase of an object that would otherwise be exported.

### What is a National Treasure?

**The RCEWA will designate an object as a 'national treasure' if it considers that its departure from the UK would be a misfortune on one or more of the following three grounds:**

<b>History</b>	<b>Aesthetics</b>	<b>Scholarship</b>
Is it closely connected with our history and national life?	Is it of outstanding aesthetic importance?	Is it of outstanding significance for the study of some particular branch of art, learning or history?
<i>Waverley 1</i>	<i>Waverley 2</i>	<i>Waverley 3</i>

### Methodology

The ELU at the Arts Council records all export licence applications made and issued in the UK for the export of cultural goods outside the UK.

Its database records the following information:

- the date of receipt
- whether the licence was issued and the date of issue
- number of items to which individual export licences relate
- total value of those items as given by the applicant
- the type of licence issued (EU or UK)
- whether it has been referred to an adviser or not
- whether it has been objected to
- whether it is temporary or permanent
- a description of the items
- the name and address of the applicant
- the owner and the country of destination

Those licence applications referred to the RCEWA are then recorded as one of:

1. issued (e.g. if found not to be national treasures; if deferred but no matching offer is made)
2. cancelled (e.g. if a matching offer is made and accepted and the object is retained in the UK or the application is withdrawn)
3. refused (e.g. if a matching offer is refused or the application is withdrawn after receipt of a matching offer (or before if it is reasonably likely that they have knowledge of an offer being imminent)).

Applications which are not accompanied by all the required information are not entered onto the ELU's database.

As for 2014-15, for the 2015-16 year only those applications which were heard by the Committee and for which a decision was issued by the Secretary of State or which were withdrawn before such time are included in this statistical release. Any other applications will be included in next year's release.

The data is collected by the Arts Council which then produces the report and tables. It is then reviewed by the relevant DCMS policy team and statisticians.

Please note that a new Open General Export Licence was issued on 12th March 2015 which permits the export from the UK to any destination of non-community goods (cultural goods brought into the UK from outside the EU and not released into free circulation within the EU). This means that such goods no longer require an individual EU or UK licence to leave the UK. This may partly explain the reduction in licences from last year in Table 1(a).

## Glossary

**Cultural goods:** Certain cultural objects more than 50 years of age and valued above specified financial thresholds require an individual licence for export out of the United Kingdom whether on a permanent or temporary basis. Further information is available at <http://www.artscouncil.org.uk/what-we-do/supporting-museums/cultural-property/export-controls/export-licensing/>

**Deferral:** Where the RCEWA finds that an object meets one or more of the Waverley criteria, it will normally recommend to the Secretary of State that the decision on the export licence application should be deferred for a specified period. Funding bodies which have, in this or previous years, provided funding towards purchasing items placed under deferral include:

- The Art Fund: <http://www.artfund.org/>
- The Heritage Lottery Fund (HLF): <http://www.hlf.org.uk/Pages/Home.aspx>
- The National Heritage Memorial Fund (NHMF): <http://www.nhmf.org.uk/Pages/home.aspx>

- The ACE/V&A Purchase Grant Fund:  
<http://www.vam.ac.uk/content/articles/p/purchase-grant-fund/>

**Expert Adviser:** An export licence application may be referred to an Expert Adviser in a national museum or gallery or, where there is no relevant expertise in a national collection, to an Expert Adviser in a non-national institution approved by the Secretary of State, for scrutiny as to national importance.

**Tax remission/Private Treaty Sales:** If a heritage object is sold on the open market, the vendor may be liable to Capital Gains Tax and Inheritance Tax. However, these tax charges are not incurred if an owner sells the object by Private Treaty to a body (e.g. a museum or gallery) listed under Schedule 3 of the Inheritance Tax Act 1984. Qualifying heritage objects include any previously granted conditional exemption or an item which would qualify as of pre-eminent importance. This dispensation was extended in April 2009 to Corporation Tax on companies' chargeable gains. This is an advantageous arrangement because a public collection will need to raise less purchase funds than what would have been paid under normal arrangements to the extent of a proportion of the tax (usually 75%) that would otherwise have been chargeable. As an incentive to vendors to offer qualifying heritage objects first to British public collections, the remaining proportion of the tax (usually 25%) that would otherwise have been chargeable may be retained by the vendor.

Schedule 3 of the Inheritance Tax Act 1984 lists those museums which are able to benefit from this scheme when acquiring works of art that are subject to either Inheritance Tax, Capital Gains Tax or Corporation Tax on sale.

Where, however, sales to Schedule 3 bodies follow export deferrals the vendor's tax liabilities reduce the cash payable by the acquiring body as the sale is totally tax free and there is no addition of an incentive in such cases because the sale is not a sale by direct negotiation to a museum and there is no need to add one. Schedule 3 to the Inheritance Tax Act 1984 lists those museums that are able to benefit from this when acquiring works of art that are subject to either Inheritance Tax, Capital Gains Tax or Corporation Tax on such sales.

Further information: <http://www.artscouncil.org.uk/what-we-do/supporting-museums/cultural-property/tax-incentives/private-treaty-sales/>





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