



Department
for Culture
Media & Sport

Export of Objects of Cultural Interest 2014/15

Statistical Release

December 2015

*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*

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Chapter 1: Introduction

Released: 2 December 2015

Period covered: May 2014 – April 2015, referred to as 2014/15 throughout

Geographic coverage: England

Next release: December 2016

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 2014-15, 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 at Arts Council England on behalf of the Department for Culture, Media and Sport.

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 Committee 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:

History	Aesthetics	Scholarship
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 is provided at the end of this report to aid the user in definitions of technical or specialist terminology (see Annex B).

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

Chapter 2: Key Findings

Between 1 May 2014 and 30 April 2015, there were 12,852¹ applications for export licences, covering a total of 92,277 items.

- 31,083 items, representing 34 per cent of the total and with a total value of £1.98 billion, were issued with export licences after they had been referred to an expert adviser.
- 17 cases were considered by the Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest by expert advisers. Of these, the Reviewing Committee found that 4 did not meet the Waverley Criteria. The remaining 13 were considered in 2014-15, however, 1 was withdrawn following the case hearing and therefore not referred to the Secretary of State.
- In total, 12 cases were referred to the Secretary of State for deferral and the Reviewing Committee's recommendations were accepted in all cases. The aggregate value of the objects in the 12 items deferred was £48.12 million.
- Of the 12 cases where items were deferred, 5 resulted in acquisitions by institutions or individuals in the United Kingdom (shown below). The 5 cases where items were purchased have a total value of £6.7 million (value price at deferral), which represents 13.9 per cent of the total value of objects placed under deferral.

The 5 cases which resulted in acquisitions were:

- Left wing of a diptych by Giovanni da Rimini (£5,682,500)
- The Campbell Sisters dancing a waltz, by Lorenzo Bartolini (£523,800)
- English translation of Erasmus's *Enchiridion militis Christiani* (£242,500)
- The Rejlander Album (£82,600)
- A William Burges vase from the Summer Smoking Room, Cardiff Castle (£163,000)

¹ This refers to applications received and issued during the reporting period.

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 2013 – 30 April 2014	1 May 2014 – 30 April 2015
(a)	Number of applications for individual export licences ²	12,925	12,852
(b)	Number of above applications which were for manuscripts, documents or archives	1,753	1,600
(c)	Number of items licensed after reference to expert advisers on the question of national importance	32,640	31,083
(d)	Total value of items in (c)	£1,459,145,324	£1,983,542,466
(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.	65	66
(f)	Number of items licensed after the Export Licensing Unit was satisfied of import into the UK within the past 50 years	23,307	57,693
(g)	Total value of items in (f)	£9,862,798,517	£10,745,479,486
(h)	Number of items in (f) which were manuscripts, documents or archives	1,016	900
(i)	Total value of items in (h)	£38,507,477	£86,456,724
(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 ³ ; 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.	3,531	3,501
(k)	Total value of items in (j)	£1,941,877,027	£3,980,590,056

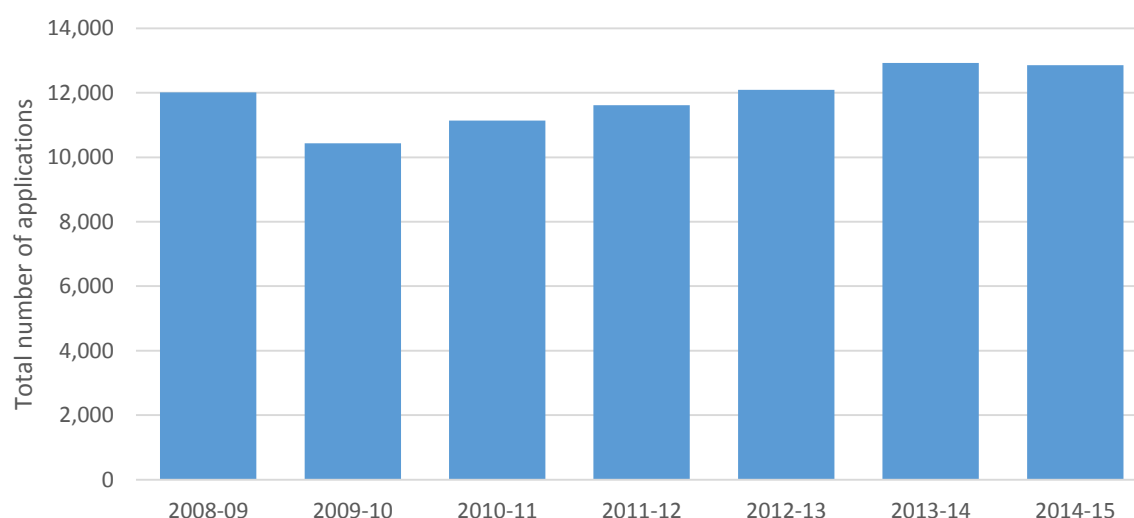
² One application (which means applications made and issued) may cover several items.

³ 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 2014 and 30 April 2015, there were 12,852 applications² for export licences, covering a total of 92,277 items (see Figure 1). Of these 12,852 applications, 1,600 were for the export of manuscripts, documents or archives.

Figure 1: The total number of applications for export licences, 2008/09 – 2014/15



Of the 92,277 items covered between 1 May 2014 and 30 April 2015:

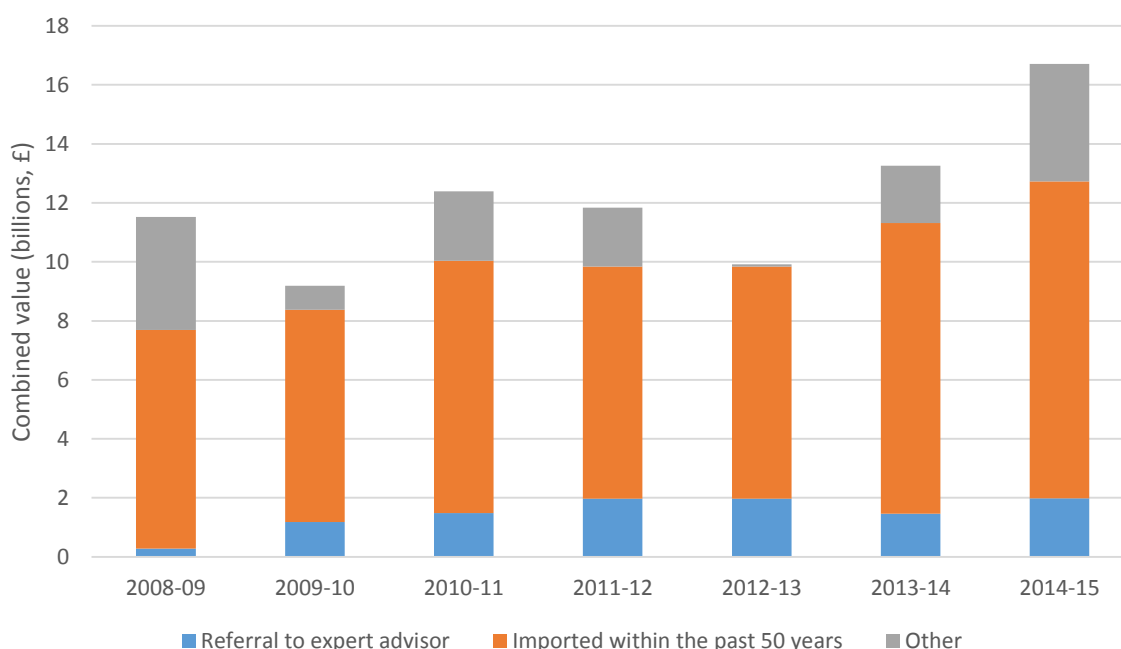
- 31,083 (34 per cent) items, with a total value of £1.98 billion (£1,983,542,466), were issued with export licences after they had been referred to an expert adviser. The value of items with export licences has increased by 36 per cent since 2013/14, where 32,640 items were worth £1.46 billion (£1,459,145,324)
- 57,693 (63 per cent) items, with a total value of £10.75 billion (£10,745,479,486) 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, 900 were manuscripts, documents or archives covering a total value of £86.46 million (£86,456,724). The value of items in this category has increased by 125 per cent since 2013/14, where 1,016 manuscripts, documents or archives had a total value of £38.51 million (£38,507,477).

- 3,501 (4 per cent) of the 92,277 items covered, with a total value of £3.98 billion (£3,980,590,056), 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.

This represents a 1 per cent decrease in the number of items and a 105 per cent increase in the total value compared to 2013-14.

The combined value of the 92,277 items is £16.7bn (16,709,612,008), this is a 26 per cent increase on the combined value of items in 2013/14 (£13.26bn).

Figure 2: The combined value of items that applied for an export licence, 2008/09 – 2014/15



Open Individual Export Licences

66 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) 3 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.

Items referred by Expert Advisers to the Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest:

When an export licence application is objected to by an Expert Adviser it is referred to the Reviewing Committee. A meeting of the Committee 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 Committee 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 2014-15, 17 applications were considered by the Committee:

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

The Secretary of State accepted the Committee's recommendations for all the 12 applications that it referred to him for deferral, and all Committee deferral recommendations were accepted.

The aggregate value of the objects in 12 applications that were deferred was £48.12 million (£48,115,600). Of these:

- Five resulted in acquisitions by institutions in the United Kingdom.
 - These had a total value of £6.7 million (£6,694,400) value price at deferral, which represents 14 per cent of the total value of objects placed under deferral.
- Export licences were issued for 6 which have a total value of £25.66 million (£25,658,700).
- One case is still under deferral (£15,762,500).

Annex A: Background notes

1. Exports 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 Peter Rowlands (Arts Council England), Andrew Calnan, and Becky Woods. Acknowledgements go to colleagues in Arts Council England.
3. The responsible statistician for this release is Becky Woods. For enquiries on this release, please contact Becky 0207 211 6134 or evidence@culture.gov.uk.
4. Next Release: The next release is scheduled for December 2016.
5. For general enquiries telephone: 0207 211 6134
Department for Culture Media and Sport,
100 Parliament Street
London
SW1A 2BQ
enquiries@culture.gov.uk

Annex B: Technical details and methodology

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

An independent Reviewing Committee on the Export of Works of Art 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 Committee 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 Committee 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 State⁴.

⁴ List of members can be found at <http://www.artscouncil.org.uk/what-we-do/supporting-museums/cultural-property/export-controls/reviewing-committee/>

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 Committee 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:

History	Aesthetics	Scholarship
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 Export Licensing Unit (ELU) at the Arts Council records all export licence 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 and whether it is temporary or permanent; a description of the items; the name and address of the applicant and the owner and the country of destination. Those licence applications referred to the Reviewing Committee are then either recorded as issued (e.g. if found not to be national treasures; if deferred but no matching offer is made); cancelled (e.g. if a matching offer is made and accepted and the object is retained in the UK or the application is withdrawn); or refused (e.g. if a matching offer is refused). Applications which are not accompanied by all the required information are not entered onto the ELU's database. For the 2014/15 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.

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 Committee finds that an object meets one or more of the 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 are

- 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.

RCEWA: The Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest. The Committee 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 under the Waverley criteria. The Committee 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 relevant fields (for example paintings, furniture, manuscripts), and a Chairman, also appointed by the Secretary of State.

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 encourages direct sales to Schedule 3 bodies. In such cases the benefits of the tax exemption are usually shared under an administrative arrangement known as the "douceur". It entails sharing the benefit of fiscal exemption between the vendor (usually 25 per cent) and the purchaser (usually 75

per cent). Hence the vendor typically obtains a “sweetener” of 25 per cent and the purchase price is reduced by 75 per cent, of the tax otherwise payable.

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 the *douceur* in such cases because the sale is not a sale by direct negotiation to a museum and there is no need to add a “sweetener” as an incentive. 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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**Department
for Culture**

4th Floor, 100 Parliament Street
London SW1A 2BQ
www.gov.uk/dcms