

**On February 2<sup>nd</sup>, 2018, RAM held its second conference entitled “Building an Art Market 2.0”.**

During this conference, following an introduction by Pierre Gabus (Lawyer and President of the Art Law Foundation, Geneva), RAM launched its “Art Due Diligence Toolkit”, a non-exhaustive compilation of verifications aimed at mitigating risks which can arise in art transactions. As explained by Sandrine Giroud (Lawyer and Board Member of the Art Law Foundation, Geneva), and Mathilde Heaton (Lawyer and Consultant, Art Law Advisory and Art-Law Centre, University of Geneva), this Toolkit identifies various checks which could be considered and/or carried out in particular regarding (1) the parties involved in an art transaction, (2) the artwork and (3) the transaction itself. The Toolkit and the accompanying explanatory notes can be found [here](#).

Following this launch, a first panel chaired by Anne Laure Bandle (Lawyer and Director of the Art Law Foundation, Geneva) discussed the importance and challenges of art transaction due diligence from different professional perspectives. Emilie Mermillod (Director at Seydoux & Associés Fine Art SA, an art trading company based in Geneva) explained the obligations incumbent upon financial intermediaries such as art dealers in Switzerland; they notably have to be registered to a self-regulatory organization, which entails strict requirements and an annual audit. She also gave an overview of their internal due diligence check-list. Johannes Nathan (Director, Nathan Fine Art and Board Member of the Swiss Art Trading Association) discussed the art associations’ and art fairs’ internal rules and guidelines regarding best practices, such as the TEFAF’s Vetting Committee which examines every item to be presented at the fair prior to its display. He added that the application of such guidelines should be proportional to the value of the transaction. Heidi Amrein (Chief curator, Swiss National Museum) discoursed on the challenges posed by provenance research in light of the Washington Conference Principles, illustrating her presentation with various examples of artworks of questionable provenance found in the Swiss National Museum’s collections. Thomas Belohlavek (Director, AXA ART) explained the importance of background checks on both people and objects for insurers to assess risk as precisely as possible, and how various due diligence instruments may help in that regard. Finally, Freya Stewart (CEO Art Lending and General Counsel, The Fine Art Group) illustrated how the due diligence process varies depending on the type of business transaction being concluded (investment, art financing or art advisory), noting that The Fine Art Group’s AML/KYC guidelines are reviewed weekly.

The second panel, chaired by Mathilde Heaton, explored new technologies for tagging, tracing and authenticating artworks and examined the opportunities, challenges and risks they present. Alexandre Catsicas (CEO at Artmyn SA) first illustrated how Artmyn’s technology can notably extract the DNA of an artwork at a certain point in time, allowing the detection of damages or modifications during subsequent scans and thus easing the authentication process. The information is then secured in a digital passport that accompanies the artwork over its lifetime, ensuring its traceability, its condition and authenticity. Laura Gowen (Director, Gowen Contemporary) discussed the impact of digital developments on the art dealing business, through the example of online sales of art who are slowly increasing in both market parts and value. She added that more centralized databases as well as increased cybersecurity are needed for this new field to keep thriving. Meg Alderman (Deloitte AG) talked about blockchains – digital ledgers that notably record transactions and track digital assets in real time, in a verifiable and permanent way – in the field of art transactions. With blockchains, an artwork’s provenance, pedigree and authenticity can be verified at any time. Blockchains also ensure that artworks are protected in transit and facilitate transactions. Finally, Philippe Gilliéron (Lawyer and Professor, University of Lausanne) discussed some of the legal issues raised by these new technologies – especially with blockchains –, most of which have not yet been clarified.

Marc-André Renold (Lawyer and Director of the Art-Law Centre and Professor, University of Geneva) concluded the conference by summarizing it through “four T’s”: he encouraged the audience to use RAM’s Toolkit, to welcome Technology in a field that is usually rather conservative, to cultivate Trust between all parties involved in art transactions, and to keep Training to stay atop of those new developments. He added that the art market would benefit from innovative and quicker means of dispute resolution.