

Tom Christopherson • Chairman

By email to Anti-MoneyLaunderingBranch@hmtreasury.gov.uk

26 September 2025

Dear Sirs,

We are writing in response to the technical consultation concerning the draft Money Laundering and Terrorist Financing (Amendment and Miscellaneous Provision) Regulations 2025 (“the SI”).

The British Art Market Federation (BAMF) represents the interests of the UK’s large and diverse art and antiques market, including the major London auction houses as well as the leading art and antiques dealer associations and the Society of Fine Art Auctioneers and Valuers, which respectively represent art dealers and auction houses of all sizes across the regions of the UK.

BAMF was also responsible for producing the Guidance on Anti Money Laundering for Art Market Participants (“AMPs”) Approved by HM Treasury in 2020, as amended and approved in 2022 and 2023.

BAMF considers that the changes from Euros to Sterling are sensible and long overdue.

On a more general note, BAMF submits that the principal issue with the 2017 Regulations is the very low threshold for AMP registration (effectively £8,000 hammer price for a single transaction at a regional auction house) which imposes a heavy regulatory burden on small businesses across the UK with little AML benefit. BAMF submits that a registration threshold of £30,000 would enable the art market and its supervisory authority to concentrate their resources more effectively.

BAMF considers the proposed provision in Regulation 10 of the SI changing the references in the 2017 Regulation 19 from “complex or unusually large” to “*unusually complex or unusually large in each case given the nature of the transaction*” to be helpful.

BAMF considers that the proposed changes in Regulation 13 (h) of the SI will provide clarity for the UK art market in replacing “linked transactions” relating to CDD obligations with “*occasional transactions whether executed in a single operation or in several operations which appear to be linked*”.

BAMF considers that the provisions in Regulation 14 of the SI concerning pooled client accounts are helpful in providing guidance to financial institutions providing pooled accounts to AMPs. Pooled client accounts are an important instrument in customer protection in the art market (for example for regional auction houses) and apart from the issue identified below, the draft Regulation provides clarity on the approach for banks providing such services to AMPs.

President: Anthony Browne **Chairman:** Tom Christopherson
Secretary General: Mark Dodgson **Treasurer:** Elizabeth Shanks

BAMF would be concerned if the current draft of Regulation 14 had the effect of extending the requirements of the 2017 Regulations to small firms in the art market operating pooled client accounts who are too small to be registered as AMPs, and where ML risk would be low. An example would be a local auctioneer of low value items such as house clearance services, where no items or consignments would meet the threshold for registration as an AMP. Such small operators provide an important service across the country and it is beneficial that they are able to operate separate pooled client accounts, for the protection of consumers in the event of the small firm's ceasing to trade.

Yours faithfully

