

EU MARKET SURVEY 2001

PRECIOUS JEWELLERY



CENTRE FOR THE PROMOTION OF IMPORTS FROM DEVELOPING COUNTRIES

EU MARKET SURVEY 2001

PRECIOUS JEWELLERY

Compiled for CBI by:

ProFound
ADVISERS IN DEVELOPMENT

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CONTENTS

REPORT SUMMARY	6
1 PRODUCT CHARACTERISTICS	8
1.1 Product groups	8
1.2 Customs/statistical product classification	8
2 INTRODUCTION TO THE EU MARKET	10
3 CONSUMPTION	12
3.1 Market size	12
3.2 Market segmentation	16
3.3 Consumption patterns and trends	19
4 PRODUCTION	23
5 IMPORTS	28
5.1 Total imports	28
5.2 Imports by product group	33
5.3 The role of the developing countries	38
6 EXPORTS	39
7 TRADE STRUCTURE	41
7.1 EU trade channels	41
7.2 Distribution channels for developing country exporters	43
8 PRICES AND MARGINS	45
8.1 Prices and margins	45
8.2 Sources of price information	47
9 OPPORTUNITIES FOR EXPORTERS	48
APPENDICES	50
1 Detailed import/export statistics	50
2 Standards organisations	56
3 Trade associations	57
4 Trade fair organisers	59
5 Trade press	61
6 Trade promotion organisations	62
7 Other useful addresses	63
8 List of developing countries	65
9 List of Netherlands importers and most important EU importers	66
10 Useful Internet sites	69

REPORT SUMMARY

The precious jewellery discussed in this survey are made of precious metals or base metal clad with precious metal, and of pearls and precious or semi-precious stones. Gold, silver and platinum are considered as precious metals, while diamonds, sapphires, emeralds and rubies are considered as precious stones. Quartz, opal, topaz, amethyst, coral etc. are considered semi-precious stones.

Jewellery are ornaments, such as rings, bracelets, necklaces, brooches, earrings, chains of watches, tie-pins and insignia. Articles for personal use (of a kind normally worn on the body or on clothes), and articles which are usually worn in trouser pockets or hand bags are also referred to as ornaments, such as cigarette cases, tobacco boxes and powder boxes.

Gold- and silversmith's wares include such articles as tableware, toilet-ware, smoker's requisites and other articles of household, office or religious use.

Ornaments of base metals *plated* with precious metals are not considered 'real' jewellery. Ornaments of base metals *clad* with precious metals are considered as 'real' jewellery, because with this rather old-fashioned method the ornament contains relatively more precious metal.

Whereas this survey deals with higher priced and hallmarked precious jewellery, information on fashion jewellery and other jewellery-related products can be found in CBI's publications on 'Fashion jewellery' and 'Precious and semi-precious stones'. Because no further distinction is made in the trade statistics between lower and higher qualities in silver or between the different alloys of silver and other materials, the product group silver jewellery as a whole is covered in this market survey. This implies that there is an overlap in the quantitative information (trade statistics) on silver jewellery in this survey and in CBI's market survey 'Fashion jewellery'. Nevertheless, whenever possible, in this survey the higher qualities of silver jewellery are emphasised.

Trade figures must be interpreted and used with extreme caution. Although figures for trade between the EU and the rest of the world are fairly accurately represented, trade within the EU is generally underestimated (registration only required when a company's trade exceeds a certain annual value). In addition, official trade statistics make no distinction between lower and higher qualities in jewellery products. This means that the import figures of jewellery products are substantially higher than the more strict precious jewellery consumption and production figures.

Market research

This EU Market Survey and the EU Strategic Marketing Guide serve as a basis for further market research: after you have read this survey and filled in the frameworks in the strategic marketing guide it is important to further research your target markets, sales channels and potential customers.

Market research depends on secondary data (data that have been compiled and published earlier) and primary data (information that you collect yourself). An example of secondary data is this EU Market Survey. Primary data are needed when secondary data are falling short of your needs, for example when researching your specific type of consumer about the acceptance of your specific product. Sources of information are among others (statistical) databanks, newspapers and magazines, market reports, (annual) reports from branch associations, but also shops in target countries, products or catalogues from your competitors, and conversations with suppliers, specialists, colleagues and even competitors. After you received/collected your information you should analyse the information. In order to judge the attractiveness of the market, sales channel or customer you should use/develop a classification or score system.

For more detailed information on market research reference is made to "CBI's Export Planner 2000".

Consumption

In 2000, the European market for jewellery approached nearly 295 tonnes. Jewellery consumption decreased strongly in the four major EU countries (Italy, UK, France and Germany). Italy is still by far the largest retail market with a retail volume of 78 tonnes, followed by the UK. Italy is not only the largest market in Europe, but also world-wide.

Production

Gold jewellery production

In 1999, the total production of gold jewellery of the four leading EU countries amounted to 629 tonnes, 3.8 percent lower than in 1998. Between 1996 and 1997, however, there had been a strong increase in gold jewellery production from 538 tonnes to 605 tonnes. Italy is the world's largest gold jewellery maker, followed at a far distance by France.

Platinum jewellery production

In Europe, only 18 percent of total platinum or 200 million ounces (oz) is used in the jewellery sector. The European market for platinum jewellery seem likely to be less affected by the issues of price and

economic activity, so that production is expected to grow modestly. European production of platinum jewellery increased slightly, amounting to 200 thousand ounces in 2000.

Silver jewellery production

European production of silver jewellery is dominated by the Italians. Italy belongs to the top-3 silver jewellery producers in the world. The other two major producing countries are India and Thailand. Together, these three countries accounted for some 60 percent of the world's total production.

Gem jewellery production

In jewellery, gemstones are usually combined with precious metals. About 60 percent of all jewellery items are bare gemstones. About 80 percent of the gem jewellery are likely to bear a diamond. The rest is mainly set with sapphires, rubies, emeralds and pearls. Gemstones are usually imported into Europe, where they are used to manufacture jewellery.

Imports

Imports of precious jewellery into the EU countries amounted to US\$ 3.4 billion in 1999, indicating a decrease of 10 percent compared to 1997. The UK is the Union's main importer of precious jewellery, accounting for 33 percent of total imports in 1999, followed by Germany (18%) and France (17%). Import performances in the UK and Ireland have been a bit outstanding from the Union's jewellery import developments in general. In contrast to Ireland, where imports of precious jewellery increased by 32 percent compared to 1997, imports into the UK decreased (down 37%), thereby reducing its relative dominant position.

Italy is by far the leading supplier of precious jewellery to the EU, accounting for 27 percent of total imports in 1999. Developing countries accounted for 26 percent of total imports in 1999, and were mainly represented by Thailand, India and China.

Exports

The EU is the world's leading exporter of jewellery and is mainly represented by Italy, accounting for 68 percent of total EU exports in 1999. The United Kingdom, Germany and France together accounted for 26 percent. Between 1997 and 1999, jewellery exports of most EU countries showed decreases, especially in the UK (down 55%), Sweden (down 32%) and Denmark (down 32%). Performances of Ireland (up 125%) and The Netherlands (up 86%) are also noteworthy.

Trade channels

Generally, the largest companies in the European precious jewellery sector are private, family-owned and operated businesses. Precious jewellery is mainly sold through speciality jewellers, but there is a growing number of multiple and non-specialist outlets. A major shake-up of the retail jewellers, involving consolidation and rationalisation, is expected throughout the EU. Independent retailers are the most under pressure of rising overhead, and are expected to lose market share to the multiple specialists and catalogue showrooms.

Department stores and mail order retailers take up minor shares. In order to reduce costs, most independent jewellers organise themselves into buying groups in order to gain preferential buying terms.

Distribution channel for developing countries

Developing countries may find more opportunities in the middle and lower segments of the market, in particular through retail chains, multiple specialists and catalogue showrooms.

Prices

The prices of precious jewellery highly depend on the raw materials used, the target market segment, craftsmanship and design. Factors such as the prices of precious metals, diamonds and gems on the world market, the development of the world economy and the US\$ exchange rate have a large influence on trade and prices. In addition, consumers are willing to pay a price for the uniqueness of a jewellery item, as it is mostly valued for its artistic nature as well as for status.

Opportunities for developing countries

Given the very particular and high demands of the EU consumers, developing countries may find more opportunities in the middle and lower segments of the market. Foreign nationals living in the various EU member states constitute a particular interesting market segment for producers in developing countries, as this group is strongly increasing and, in terms of taste and quality, generally favours jewellery products from their country/region of origin.

Competitive advantages, such as the availability of (low-priced) raw materials and low labour costs are in the favour of developing countries, and so can be their unusual, culturally styled designs. At the other hand, the particularity of the demand will require producers in developing countries to link up with designers and purchasers in the market, so as to make optimal use of mutual competitive advantages. This may eventually boost some producers to the higher-end segments of the market.

1 PRODUCT CHARACTERISTICS

1.1 Product Groups

The precious jewellery discussed in this survey is made of precious metals or base metal clad with precious metal, and of pearls and precious or semi-precious stones. Gold, silver, platinum and palladium are considered as precious metals, while diamonds, sapphires, emeralds and rubies are considered as precious stones. Quartz, opal, topaz, amethyst, coral etc. are considered semi-precious stones.

Jewellery comprises ornaments, such as rings, bracelets, necklaces, brooches, earrings, chains of watches, tie-pins and insignia. Articles for personal use (of a kind normally worn on the body or on clothes), and articles which are usually worn in trouser pockets or hand bags are also referred to as ornaments, such as cigarette cases, tobacco boxes and powder boxes.

Gold- and silversmith's wares include such articles as tableware, toilet-ware, smoker's requisites and other articles of household, office or religious use.

Ornaments of base metals *plated* with precious metals are not considered 'real' jewellery. Ornaments of base metals *clad* with precious metals are considered as 'real' jewellery, because with this rather old-fashioned method, the ornament contains relatively more precious metal.

1.2 Customs/Statistical Product Classification

On January 1, 1988, a unified coding system was introduced to harmonise the trading classification systems used world-wide. This system is called the Harmonised Commodity Description System (HS) and was developed by World Customs Organisation (WCO). The system comprises about 5,000 commodity groups, each identified by a six digit code, arranged in a legal and logical structure and is supported by well-defined rules to achieve uniform classification. The system is used by more than 177 countries and economies as a basis for their Customs tariffs and for the collection of international trade statistics. WCO is currently introducing alterations to the HS and these will be included in the combined nomenclature as of January 1, 2002. After the six-digit code, countries are free to use further subheadings. In the trade data of Eurostat, an 8-digit system is used. Most codes, however, end with two zeros, i.e. effectively only using 6 digits. In some countries even 10 digits are sometimes used.

Distinctions between precious jewellery and fashion jewellery

The main distinction between precious and fashion jewellery is determined by material content. Whereas in fashion or costume jewellery many different materials are used (including some precious metals and stones), precious jewellery is marked by the almost exclusive use of precious metals and precious stones.

Another distinction can be found in the long-standing tradition and infrastructure of high-quality precious jewellery making, involving highly skilled artisans and specialists who know the market inside out. Compared to fashion jewellery, precious jewellery is much less influenced by fashion trends, hence designs last much longer. This is also reflected in the points of sale. Whereas fashion jewellery can be found in a wide variety of different outlets, ranging from department and fashion stores to drugstores and street market stalls, precious jewellery is sold primarily through specialised jewellers and high class gift outlets.

Whereas this survey deals with jewellery made of higher priced and hallmarked precious silver and of other precious metals (gold, platinum, etc.), information on fashion jewellery and other jewellery-related products can be found in CBI's publications on 'Fashion jewellery' and 'Precious and semi-precious stones'. Because no further distinction is made in the trade statistics between lower and higher qualities of silver or between the different alloys of silver and other materials, the product group silver jewellery as a whole is covered in this market survey. This implies that there is an overlap in the quantitative information (trade statistics) on silver jewellery in this survey and in CBI's market survey 'Fashion jewellery'. Nevertheless, whenever possible, the higher qualities of silver jewellery are emphasised in this survey.

Table 1.1 gives a list of the eight-digit list of the main groups of HS codes for precious jewellery.

The chapters 5 and 6 are structured according to the HS code, while chapters 3 and 4 mainly focus on the following structure:

- gold jewellery
- platinum jewellery
- silver jewellery
- jewellery with precious stones.

This does not place limitations on the in-depth interpretation of trade figures and of the possible relationships between imports figures and production and consumption data, since the head groups of the HS code roughly comply with the above-mentioned structure.

Table 1.1 HS code classification of precious jewellery		
HS code	Description	
Chapter 71	III. Jewellery, gold- and silversmith's wares and other articles	<i>Shorten as</i>
7113	articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal	jewellery of precious metal
11 00	of silver, whether or not plated or clad with other precious metal	of silver
19 00	of other precious metal, whether or not plated or clad with other precious metal	of other precious metal
20 00	of base metal clad with precious metal	of base metal
7114	articles of goldsmiths' or silversmiths' wares and parts thereof, of precious metal or of metal clad with precious metal	art. of goldsmiths' and silversmiths' wares
11 00	of silver, whether or not plated or clad with other precious metal	of silver
19 00	of other precious metal, whether or not plated or clad with precious metal	of other precious metal
20 00	of base metal clad with precious metal	of base metal
7116	articles of natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed)	articles of pearls and precious stones
10 00	of natural or cultured pearls	of natural or cultured pearls
20 11	necklaces, bracelets and other articles made wholly of natural precious or semi- precious stones, simply strung without fasteners or other accessories	wholly made of precious stones
20 19	other articles made wholly of natural precious or semi-precious stones	other art. wholly made of precious stones
20 90	other articles not wholly made of natural precious or semi-precious stones	other art. not wholly made of precious stones

2 INTRODUCTION TO THE EU MARKET

The European Union (EU) is the current name for the former European Community. Since 1 January 1995, the EU has consisted of 15 member states. Negotiations are in progress with a number of candidate member states, many of which already have extensive trade and co-operation agreements with the EU. It is envisaged that five of these countries will become members in 2004.

According to the first demographic estimates for 2000, published on January 8, 2001 by Eurostat, the population of the EU on 1 January 2001 was expected to total 377.6 million. While the pace of population growth in the EU has slowed greatly in the last 30 years, the increase of 0.3 percent in 2000 was slightly higher than the figure in recent years. Total GDP in 2000 equalled US\$ 7,836.7 billion at current prices, while the average GDP per capita (at current exchange rates) amounted to US\$ 22,611 in 1999 (OECD, 2001).

The most important aspect of the process of unification (of the former EC countries) which affects trade is the harmonisation of rules in the EU countries. As the unification allows free movement of capital, goods, services and people, the internal borders have been removed. Goods produced or imported into one Member State can be moved around between the other member states without restrictions. A precondition for this free movement is uniformity in the rules and

regulations concerning locally produced or imported products. Although the European Union is already a fact, the regulations have not yet all been harmonised. Work is in progress on uniform regulations in the fields of environmental pollution, health, safety, quality and education.

On 1 January 1999, the euro (€) became the legal currency within eleven EU member states: Austria, Belgium, Finland, France, Germany, Italy, Ireland, Luxembourg, The Netherlands, Spain, and Portugal. Greece became the 12th member in June 2000. Their national currencies are now subdivisions of the euro and will continue to circulate as legal tender until 2002. Circulation of euro coins and banknotes will begin on 1 January 2002 and these will gradually replace national currency notes and coins, which must be withdrawn by 1 July 2002. At present, banking is possible in both the euro and in national currencies.

The most recent Eurostat trade statistics quoted in this survey are from the year 1999. In 1998, the European Currency Unit (ECU) was still used as a monetary instrument by financial institutions to simplify financial procedures. On 1 January 1999, statistical and contractual values in ECU were converted into euros on a 1:1 exchange rate. The € / US\$ exchange rate currently (September 2001) stands at around US\$ 0.86 for one euro.

Exchange rates of EU currencies in US\$

Country	Currency	1996	1997	1998	1999	2000	Sept 2001
European Union	ECU	1.25	1.13	1.12	-	-	-
	€	-	-	-	1.06	0.92	0.86
Austria	Ash	0.094	0.082	0.081	0.077	0.067	0.063
Belgium/Luxemb.	Bfr	0.032	0.028	0.028	0.026	0.023	0.021
Denmark	Dkr	0.17	0.15	0.15	0.13	0.12	0.12
Finland	FM	0.22	0.19	0.19	0.18	0.16	0.14
France	Ffr	0.20	0.17	0.17	0.16	0.14	0.13
Germany	DM	0.66	0.58	0.57	0.54	0.47	0.44
Greece	GRD	0.0041	0.0036	0.0034	0.0033	0.0027	0.0025
Ireland	I£	1.60	1.52	1.42	1.35	1.17	1.09
Italy	L	0.00065	0.00059	0.00058	0.00055	0.00048	0.00044
The Netherlands	NLG	0.59	0.51	0.51	0.48	0.42	0.41
Portugal	Esc	0.0065	0.0057	0.0056	0.0053	0.0046	0.0043
Spain	Ptas	0.0079	0.0068	0.0067	0.0064	0.0055	0.0052
Sweden	Skr	0.15	0.13	0.13	0.12	0.11	0.09
United Kingdom	GB£	1.56	1.64	1.66	1.62	1.51	1.38

Source: CBS Statline (October 2001)

In this market survey, the US\$ is the basic currency unit used to indicate value. Values for dates after 1 January 1999 are also expressed in euros.

Trade figures quoted in this survey must be interpreted and used with extreme caution. The collection of data regarding trade flows has become more difficult since the establishment of the single market on 1 January 1993. Until that date, trade was registered by means of compulsory customs procedures at border crossings, but, since the removal of the intra-EU borders, this is no longer the case. Statistical bodies like Eurostat cannot now depend on the automatic generation of trade figures. In the case of intra-EU trade, statistical reporting is only compulsory for exporting and importing firms whose trade exceeds a certain annual value. The threshold varies considerably from country to country, but it is typically about EUR 100,000. As a consequence, although figures for trade between the EU and the rest of the world are accurately represented, trade within the EU is generally underestimated.

The chapters followed will focus on the EU markets for precious jewellery. Markets of selected EU countries will be highlighted since their markets are relatively more important than markets of other EU countries (in terms of production, consumption, imports and exports). This survey will, therefore, mainly focus on UK, Germany, France, Italy and The Netherlands.

3 CONSUMPTION

3.1 Market size

The economic recession in the EU in the early 1990s changed the perspectives of consumers. Due to declined disposable incomes and shattered confidence, consumers turned their backs on the glamour and ‘live for now’ of the 1980s for the practicality and realism of the early 1990s. This period was characterised by declining market values in real terms, intense competition and cheap imports, prompting trends towards middle and low price jewellery, with costume and imitation jewellery achieving strong growth and the precious jewellery sector coming under strong pressure.

The economic recovery of the EU after 1992 and 1993 positively affected the demand for precious jewellery products. From 1997 onwards, economic growth, coupled with increased disposable (double) incomes, has resulted in higher expenditure on precious jewellery.

In 2000, the European market for jewellery approached about 295 tonnes. Jewellery consumption decreased strongly in the four major EU countries (Italy, UK, France and Germany). Italy is still by far the largest retail market with retail volume of 78 tonnes, followed by the UK. Italy is not only the largest market in Europe, but also world-wide.

In the first three months of 2001, jewellery demand was largely unchanged compared to the previous year, amounting to 51 tonnes. Preference for stone-set jewellery along with some concerns about the economic situation and the continuing high euro gold price continued to hamper demand for gold.

While the jewellery demand in the UK remained buoyant, the faltering euro-zone economies held down gold demand in Europe during the second quarter of 2001, to 57 tonnes, which was slightly below the level of the year before. There was a modest rise in jewellery demand which was compensated by a fall in new coin purchases. The total demand for the first half year of 2001 amounted to 109 tonnes, again just under the level of the previous year.

On September 11th, 2001 the gold price moved upwards in the wake of the terrorist attacks on New York and Washington, putting more pressure on the demand for gold.

CHARACTERISTICS OF EU MARKETS

Italy

The Italian jewellery market is the largest in the world, in terms of volume. Italy accounted for around 30 percent of the total EU retail sales in 2000 (78 tonnes).

The strong consumer confidence and disposable incomes, as well as the emerging fashions and new product developments, are likely to lead to an overall growth in all prominent markets. However, factors such as the development of the global economy and trends in prices of precious metals, diamonds and gems remain extremely important. The US dollar exchange rate also has a strong influence on the trade in jewellery, as was demonstrated in 1993 when devaluated local currencies vis-à-vis the US dollar in the major European markets for jewellery had a negative influence on sales volumes. A similar negative influence may be noticeable related to the high dollar rate at the beginning of this new millennium.

The local industries are expected to face competition from mid-to-lower market products originating in low-cost production regions; specialists are likely to dominate distribution.

In general, gold products account for the largest share in the region's jewellery market. The popularity of precious stones set in necklaces, earrings and wedding rings is rising among female consumers.

In the first three months of 2001, gold jewellery demand amounted to almost 14 tonnes, the same figure as a year earlier. The second quarter of 2001 brought further indications that the decline in Italian jewellery sales has ended: purchases amounted to 17 tonnes, just 1 percent higher than a year earlier with a similar increase for the first half year as a whole. Sales were better in May 2001, a leading month for jewellery purchases, than for some years. However, buying was concentrated on cheaper items while the top end of the market remained slow. This is reflected by the generally cautious attitude of Italian consumers during the second quarter, as they waited to see what the new government's actions would be.

An interesting development in Italy was an increase in the use of “gettone” (gold discs) as prizes in TV competitions. Although it is a longstanding practice, this appears recently to have become more prevalent and is estimated to have accounted for 0.9 tonnes of gold in the second quarter of 2001. These figures are not included in the mentioned data; many of them are sold for scrap and then used in jewellery manufacture. The Italian precious jewellery market is expected to increase. The largest market segment in terms of volume is silver jewellery. In terms of value, the gold jewellery market is the largest market segment in Italy and is followed by diamond and silver jewellery. The diamond jewellery market, although the smallest

in terms of volume, has the fastest annual average growth rate.

Italy's leadership of the international jewellery market is increasingly being challenged by developing countries which now have similar levels of technology and have recently shown their ability to add value to their products through design and innovation.

Moreover, labour costs for low-cost producers in the Middle East and Southeast Asia are 70 percent lower than those in Italy.

Germany

Growth of the German market is characterised by market value decline as cheap imports entered the market. Ironically, many of these imports are sourced from German-owned companies which moved to low-cost countries in Southeast Asia. German demand

Jewellery demand in selected countries, 2000-2001

Italy

Jan-June 2001	30.3 tonnes
Jan-June 2000	30.1 tonnes
% change:	+ 0.6%

France

Jan-June 2001	25.9 tonnes
Jan-June 2000	27.0 tonnes
% change:	- 4%

Germany

Jan-June 2001	21.7 tonnes
Jan-June 2000	22.1 tonnes
% change:	- 2%

UK

Jan-June 2001	29.8 tonnes
Jan-June 2000	28.4 tonnes
% change:	+ 5%

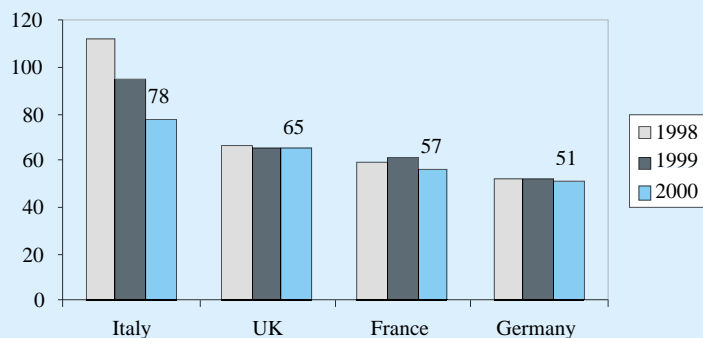
for gold jewellery remains soft; total demand decreased by 3 percent to 51 tonnes in 2000, partly reflecting weak overall consumption. However, the demand for precious metal jewellery, with and without precious stones, is showing positive development. There is also a continuing demand for original pieces.

Germany is one of the largest precious jewellery market in terms of volume in Europe. Between 1999 and 2000, demand for gold jewellery decreased slightly to 51 tonnes in 2000. Gold jewellery performed worse than silver and gem-set jewellery. The trend towards white metal jewellery in Germany showed no signs of deteriorating. German demand remained steady in the first quarter of 2001, decreasing by only 1 percent compared to the same period last year, to 11 tonnes. Spending on luxury products, including gold jewellery, was limited by economic worries and competition from products such as travel, computers and mobile phones. The high DM/ price of gold also restricted demand. However, plain, mass market gold jewellery was less affected than higher priced stone-set items, therefore, the volume of gold purchased held up better than the value of expenditure.

The trend towards yellow gold continued in the first six months in 2001, but this was mainly at the expense of white gold rather than platinum. With a marked slowdown in the economy and with consumer confidence decreasing, demand at 11 tonnes was 3 percent lower than the level of the previous year.

Quantitatively, the silver jewellery segment is the biggest market segment in Germany. The platinum jewellery segment has the fastest annual growth rates of 8.5 percent and 7.5 percent, in terms of volume and value respectively. The diamond jewellery segment has a fast annual growth rate of 7.5 percent in terms of volume. The diamond market value, which is the second highest compared to the other segments, is growing at the rate 5 percent per annum.

Figure 3.1 Gold demand in selected countries, 1998-2000



Source: World gold Council (2001)

Three main trends can be seen in the German jewellery market. In the first place Germany has a small segment of customers who are ready to pay any price and prefer unusual or custom-designed jewellery. The second trend is that the majority of customers are willing to pay a reasonable price for quality products, and in the third place the segment of platinum jewellery will increase. The German jewellery market is likely to improve.

Diamond-encrusted jewellery and platinum jewellery sales are expected to grow by 7 to 8 percent annually.

France

A static French market reflects maturity and falling prices, as cheap imports and rising availability of jewellery through discount stores constrain value growth.

Gold jewellery demand in France decreased 7 percent in last three months of 2000 to 17 tonnes. Full year demand was 8 percent lower at 57 tonnes. Consumer confidence in the last quarter recovered, which helped the jewellery sales. However, gem-set jewellery gained ground, in particular through the decision by a major hypermarket chain to begin stocking gem-set alongside its plain gold items. White metal remained popular, although the sharp further growth in platinum appeared to have stalled in 2000.

Continuing high demand for stone-set jewellery in France limited consumer spending in the first quarter of 2001 on gold items. As a result, there was a 3 percent decrease in gold demand to 19 tonnes, compared with 13 tonnes a year earlier. Consumer spending generally remained robust, but stock market losses caused some purchasers to be more cautious in jewellery buying.

Consumer confidence in France slowed sharply in 2001 as a result of concerns over economic slowdown, slower job creation and anxiety over the introduction of euro notes and coins at the beginning of 2002. This has had an effect on gold jewellery sales which fell 5 percent to 13 tonnes in the second quarter of 2001, a slightly heavier fall than in the first quarter. Surplus stocks are being reduced and sales for Mother's Day, traditionally a significant purchasing occasion, were disappointing. Consumer demand should improve later in the year on the back of tax cuts and a 4 percent lift in the minimum wage in July.

Diamond jewellery accounts for the smallest market in terms of volume, but is growing at the fastest rate. On the contrary, the diamond market value is the second highest when compared to the other segments. The volume market for diamond jewellery is predicted to grow at an annual rate of 9.7 percent on average.

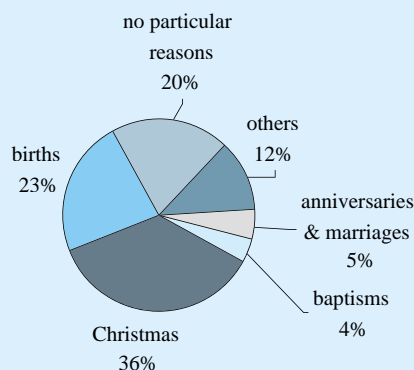
Silver jewellery represents the smallest market in terms of value. The market value of platinum jewellery is growing at the fastest rate of 5.4 percent per annum.

The following trends can be identified for the year 2000:

- grey gold combined with cultured Tahiti pearl;
- return of the diamond;
- coloured stones (peridot, blue topaz, tourmaline, citrine and garnet) are popular;
- mixture of colours as well as materials: polished and matte, smooth sculpted;
- in terms of shapes, round gems and a variety of forms for settings.

The sales of French jewellery in 2000 were divided as follows: gold jewellery 52 percent, diamond jewellery 38 percent, platinum jewellery 5 percent, silver jewellery 1 percent and other jewellery 4 percent. With regard to gold jewellery sales, rings dominate the market, followed by necklaces and bracelets.

Figure 3.2 French occasions for purchasing jewellery



Source: Bijorhca (2001)

The purchases of jewellery in France are made for about 60 percent by female customers. The traditional borders of the purchase of jewellery are modified: a ring not only for special occasions (marriage, baptisms), but also to celebrate more personal events.

United Kingdom

In the early 1990s, similar to other markets, the UK was marked by economic recession, cheap imports and price competition, which significantly undermined value growth. Furthermore, spending has been undermined by the switch to costume jewellery. However, in the second half of the 1990s, demand for jewellery started to recover as consumer confidence grew following the end of the recessionary climate. As a result, jewellery demand in 1997 reached record levels of 50 tonnes, up 25 percent compared with 1996.

In the first quarter of 2000, the demand for gold jewellery in the UK reached 14 tonnes, indicating an increase of 18 percent compared to the same period the previous year. Solid demand growth and restocking by the jewellery trade after their excellent Christmas sales encouraged further growth. British manufacturers benefited from strong demand for jewellery bearing the special millennium mark.

In 2000, the gold jewellery demand in the UK reached 65 tonnes. In the fourth quarter, growth was hit by a continuing fall in 22 carat demand from the Asian communities, probably reflecting the lack of auspicious days for Hindu weddings, although 18 carat gold continued to grow. In the lower caratage sectors, demand was steady although consumers were opting for larger numbers of lighter items, with a continuing trend towards gem-set jewellery.

During the first three months in 2001, the UK had the best performance in Europe regarding gold demand, which increased by 1 percent compared to a year earlier reaching a new record at 14 tonnes. This reflected strong retail sales generally in the first quarter of 2001, although concerns over economic slowdown may affect spending later in the year. Mainly 9 carat jewellery demand was particularly strong, rising 4 percent above the previous year levels, with discount stores experiencing particularly good sales.

Buoyant retail sales, together with new and commercially focused retailers, helped UK jewellery demand to rise to 17 tonnes in the second quarter of 2001, indicating a 9 percent higher growth compared to the same period in the previous year. The strongest rise was mainly in the 9 carat sector, which rose 15 percent.

The trend towards yellow gold appears to be starting to affect the UK, with both silver and platinum sales trailing the rise in gold. The booming market is also confirmed by hallmarking figures, where the weight of gold assayed rose by 12 percent between April and July 2001, and by rises in imports from both Italy and the USA.

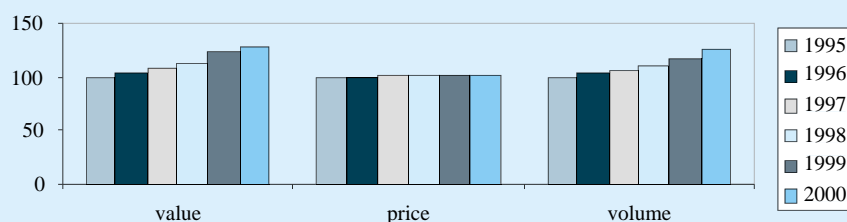
In terms of value, gold jewellery accounts for the largest share of the UK precious jewellery market with 59 percent, followed by diamond jewellery with 32 percent. General trends include increased availability of gem-set pieces. Pearls have increased in popularity, especially the more unusual black or grey pearls. The platinum market, accounting for 4 percent of the total jewellery market in 2000, has increased the availability in high street stores. Silver maintains its share of the total market (2%).

The healthy growth of the jewellery market in the UK is predicted to continue. The continued growth of branding and strategies, such as gem certification, is likely to affect demand positively. The trade up to better quality products, including higher sales of platinum, will also move the price range upwards.

There has been a slight shift towards higher gold caratage and an increase in the popularity of platinum. The real jewellery market benefits by being associated with engagements and weddings, as well as being a popular gift purchase.

Consumer spending on jewellery and watches tends to be concentrated across the price range. Annually, few consumers pay more than £50 for a watch, or more than £100 on jewellery. This indicates that, despite strong branding, more expensive design have a considerably way to go in terms of market penetration.

Figure 3.3 Netherlands consumption of jewellery, 1995-2000
1995=100



Source: Central Industrial Board for the Retail Trade (HBD, 2001)

The Netherlands

In 2000, the total turnover of the jewellery retailers amounted to NLG 2,200 million (€ 998 million, including VAT), indicating an increase of 5 percent compared to 1999. This is equivalent to almost NLG 139 (€ 63) per capita.

Sales of jewellery are strongly concentrated in the month of December (almost 15% of the annual turnover), being the major holiday season (St Nicholas and Christmas) in The Netherlands during which people give each other many presents.

Brands

Brands are becoming important to the Netherlands economy. Existing brands in the clothing and cosmetic industry are expecting to develop their own brands in the jewellery industry: Marco O'Polo presented a new jewellery collection in spring 2000, while Mexx Jewels and Kipling will introduce the Kipling-jewellery line this year.

Other EU countries

The Belgian precious jewellery market is considerable, since the City Antwerp is world-known for its diamond industry. More than half of the world's consumption of rough, polished as well as industrial diamonds is traded in Antwerp, realising an annual turnover of more than US\$ 23 billion. The diamond sector in Belgium accounts for 7 percent of total Belgian exports and is one of the major economic mainstays of the country.

As compared to silver, gold production is 200 times more important. The demand for gold jewellery is much higher than for silver jewellery.

The Spanish jewellery market has shown a healthy growth over the period 1990-1994, although an influx of low-cost imports, particularly of costume jewellery, has prompted fierce competition at the mid-to-lower end of the precious jewellery market.

The consumption of precious jewellery in Spain in terms of volume is declining at the rate of 2.8 percent per annum. On the other hand the market value is rising at the rate of 1.9 percent per annum. In 1996, silver jewellery was the largest segment, accounting for 63 percent of the Spanish precious jewellery sales volume. Gold jewellery was the largest segment in terms of value, with 58 percent market share in 1996.

The share is expected to fall by 0.7 percent by the year 2002. Also a negligible change is expected in the volume share of diamond jewellery by the year 2002. Platinum jewellery is the only segment of the jewellery market which is expected to record a rise in its volume market. The volume share is projected at 1.5 percent for the year 2002.

The remaining markets are all marked by recession, cheap imports and price competition, which has significantly undermined value growth.

In the remaining EU countries, the silver jewellery segment accounted for 93 percent in volume terms, followed by gold jewellery at 4.3 percent. By the year 2002, the share of silver jewellery is expected to fall to 86 percent, while the market share of gold jewellery is expected to rise to 8 percent. The miscellaneous EU market is expected to double its share by the end of the period 1996-2000. Diamond jewellery was the largest segment in terms of value. The share of platinum jewellery in the total market is expected to rise from 0.5 percent in 1996 to 1 percent in 2002.

3.2 Market segmentation

Segmentation by quality-price ratio

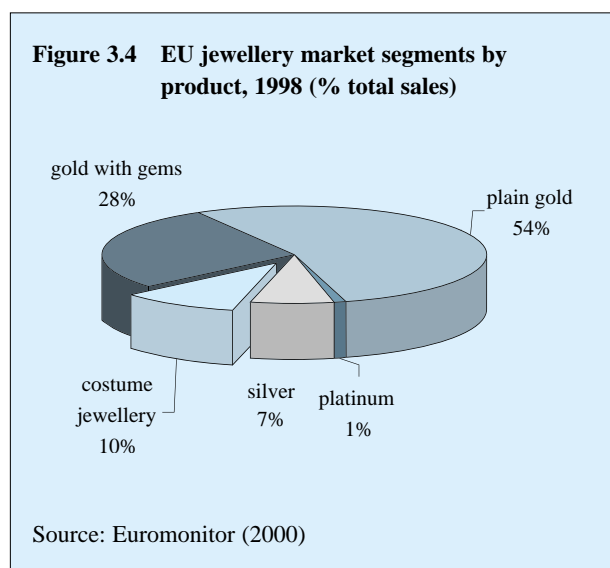
In the EU, precious jewellery was traditionally purchased as a gift for special occasions such as weddings and anniversaries. The mid 1980's saw the rise of professional women work-force, who increasingly purchased jewellery for themselves. Jewellery was also considered an investment outlet, which kept the demand for (precious) jewellery high.

The early 1990s were marked by economic recession and subsequent decline of the precious jewellery market in favour of lower-priced precious jewellery and costume and imitation jewellery.

The economic growth in the EU in the late 1990s, coupled with higher disposable (double) incomes, has revived the demand in the higher segments of precious jewellery. More women and young people have become more conscious of quality and brands, which distinguishes a slight difference between the EU and USA markets. Generally, consumers in the EU are willing to pay a higher price if the product is well-finished, of a well-known brand, or is made by a known designer, forcing manufacturers to pay much attention to style and design, quality and service.

Segmentation by product groups

Plain gold items make up more than half of the total demand for jewellery items (including costume jewellery) in the EU, followed by gold with gems (25-30%), silver (7%) and platinum (1%). Costume jewellery accounted for about 10% of the metal jewellery sales.



Gold jewellery

In 2000, total European demand for gold jewellery amounted to 255 tonnes, indicating a decrease of 7 percent compared to the previous year. Market segments of gold jewellery are diverse, based on difference in preferences between and within countries, in particular with respect to caratage. The most widely used alloys for jewellery in Europe are 18 and 14 carat, although 9 carat is popular in Britain. Portugal has a unique designation of 19.2 carats.

In comparison, in the United States 14 carat predominates (also some 10 carat), while in much of the Middle East, India and South East Asia, jewellery is traditionally 22 carat (sometimes even 23 carat).

In China, Hong Kong and some other parts of Asia, “chuk kam” or gold jewellery of 990 fineness, that is almost 24 carat, is popular.

Table 3.1 Caratage, fineness and percentage of gold

	Caratage	Fineness	% Gold
Pure gold	24	1000	100
Gold alloys	22	916.6	91.66
	20	833.33	83.33
	19.2	800	80
	18	750	75
	15	625	62.5
	14	585	58.5
	10	416.7	41.67
	9	375	37.5
	8	333.33	33.33

Source: World Gold Council (1997) and other sources

The *purpose* of buying jewellery still varies among regions. While in the industrialised countries gold jewellery is primarily a fashion item, in the Middle East and much of Asia gold ornaments are equally considered as an investment (22 carat articles are bought on a low mark-up of only 10-20 per cent over the gold price of the day, and may be traded at a profit if the price rises or, more often, for new articles).

Design dictates buyer’s choices when gold jewellery is purchased, while *quality* certainly remains an important factor as well. Regardless of price ranges, shoppers are attracted by the glitter and status of gold.

The decrease in demand for gold jewellery could be explained by the following:

- There is a surge of consumer and trade interest in white metals, which has favoured platinum and silver. However, this ‘white wave’ has also stimulated a demand for white gold jewellery, in particular in subtle combination with diamonds.
- Gold jewellery is not popular amongst younger consumers as gold jewellery is no longer ‘cool’.

Platinum jewellery

Shifts in fashion have resulted in a relatively successful period for platinum jewellery, despite a price disadvantage over all other precious metals. The purity and aesthetic look of the worked metal created a demand for the product, which has the additional advantage of being largely allergy-free.

Platinum is fashionable. Platinum jewellery appeals to many people today because of its subtle beauty and understated elegance that appeals to both men and

women. Many platinum jewellery designs are accented with 18-carat gold, creating a sophisticated, versatile and fashionable look.

Platinum has seen a huge revival in popularity in the later 1990s, as a 'white wave' has swept the world, making it once again a leader in jewellery fashion. It remains extremely rare and is only found in a few places in the world. Since the early 1990s, classic collections with elegant and feminine platinum styles featuring diamonds, coloured gems and pearls have been introduced to the design range.

Silver jewellery

Although silver products also lost out during the recession in the early 1990s, their price advantage over gold products was still in their favour. The interest in white metals has also favoured silver jewellery products. Within the EU, there is a pronounced difference between the southern Europeans, who are more extravagant in their choice of jewellery (favouring more gold and brighter colours) and the northern Europeans, whose taste is more conservative (favouring silver and less extrovert design and colour).

Among jewellery products, silver jewellery covers the widest range of market segments, varying from lower segment, highly fashionable products to more exquisite, precious articles. This also makes it hard to identify trends, as in trade statistics no distinction is made between lower and higher qualities in silver, or between different alloys of silver and other materials.

In the lower segments, jewellery purchasing by young people is highly influenced by global trends, street fashion ('US lifestyle', MTV, pop and movie stars) and special events. In the EU, about 42 percent or US\$ 1,852 million of the 2000 expenditure on fashion jewellery was on silver jewellery, which included precious silver jewellery. Italy, UK, France and Germany are the major markets.

The economic growth in the EU in the late 1990s has revived the demand for the higher segment silver

jewellery products. Women and young people have become more conscious of quality and brands, and pay more attention to style and design, less to price. This has been matched with an increased supply of precious silver jewellery, ranging from high quality modern products to ethnic and traditional articles (sometimes oxidised to give the articles an antique look).

Jewellery with precious stones

Although the precious jewellery sector is still led by plain gold products such as neck chains, earrings and bracelets, precious stones set in wedding rings, necklaces and earrings are still popular among female consumers. Precious stones are predominantly combined with precious metals. About 80 percent of the precious stone jewellery is set with a diamond, the rest is mainly set with sapphires, rubies, emeralds and pearls.

Italy is the largest retail market in the EU for diamond jewellery (Germany being second), with a per capita retail value which is comparable to that of the USA.

During the economic recession in the EU in the early 1990s, precious stone jewellery lost most ground in the jewellery industry. With the economic growth in the late 1990s, consumers returned to the 'real thing', but are now more conscious of style and design (e.g. the earlier mentioned elegant and feminine platinum styles featuring diamonds, coloured gems and pearls; white gold jewellery in subtle combination with diamonds). Pearls are also back in demand, although it is increasingly difficult to get natural pearls; most of the pearl jewellery is now made of cultivated pearls.

Compared to other jewellery articles, relatively little is known of the trade in precious stone jewellery, and in particular on the trade in the precious stones themselves. Many of the precious stones originate in developing countries, and being of high value much of the trade is rather 'invisible'. Recently, the diamond trade in particular has received much criticism for being linked to exploitative and oppressive regimes ('blood diamonds'). In reaction, the industry has started an

Silver jewellery, more than other precious jewellery, is available in non-specialised retail outlets, and is frequently purchased as a gift item. The popularity of body piercing has stimulated demand for silver jewellery, in particular also for new products such as rings and chains for different parts of the body. Foregoing trends have also stimulated demand among boys and young men, as well as a tendency to wear more jewellery items at the same time.

Today's teens do not sit idly by waiting for the next trend to happen, they create trends. Silver jewellery is the number one accessory for young adults. Favourable price points and the versatility of the metal, shiny designs of neck and waist chains, cuffs, ankle bracelets, stackable rings, neck wires and fashionable earrings are all the rage.

Not only are men shopping for gifts, but there has also been an increase in men's jewellery purchases for themselves. Sales of men's sterling silver jewellery and accessories are on the rise, with cufflinks being the most popular.

The European Union member states: national differences

Differences in standards of living and the amount of disposable income people are willing to spend on luxury items:

The World Gold Council estimates that in Italy 38 percent of the adults purchase gold jewellery, compared to 33 percent in the UK, 15 percent in France and 14 percent in Japan (underlining differences in consumer preference; a country like Japan has one of the highest per capita incomes).

Quantity vs. Quality:

In some markets, consumers are more interested in quantity (the British and, to a lesser degree, the French), while others go more for value (the Germans and Italians). Of all Europeans, the French are the most fond of costume jewellery. On the whole, gold pieces outperform other categories – like platinum, silver or costume jewellery – accounting for an estimated 70 percent of the total jewellery market in terms of value.

Foreign nationals living in the various EU member states:

- **The Netherlands:** Netherlands Antilles, Surinam, Turkey and Morocco
- **Germany:** Turkey and Morocco
- **France:** many francophone nationals from former (mainly African) colonies
- **United Kingdom:** Commonwealth countries such as India, Bangladesh and Pakistan.
- **Mediterranean countries:** Latin America and Northern Africa.

active campaign to clear its name, articulating the emotional and symbolic value of the diamond.

Segmentation by demography

Jewellery is mostly purchased by women, although there is a rising trend of men buying jewellery not only as gifts but also to wear themselves. Regarding age, younger people buy the most, however, older people buy more expensive products. The ageing population in Europe is likely to increase, therefore, the demand for costly jewellery is expected to increase.

Segmentation by geography

Within the EU, major regional differences exist in taste and demand. Generally speaking, a distinction can be made between Mediterranean, Germanic and Anglo-Saxon cultures, the cultural differences shaping a diversity of markets. Differences also exist in terms of foreign nationals living in the various EU member states.

Southern Europeans (Italians, Spanish, Portuguese and French) always had a love affair with gold. In general, they wear bright, bold, shiny jewellery, made from high carat yellow gold. Until recently, when EU regulations forced this market to open up for low carat gold, France, Spain and Portugal did not allow the sale of

gold of a fineness less than 18 carat. Each of these countries has a sizeable jewellery industry, catering for both home and export markets, producing designs that reflect demands of the consumers (traditional, historic jewellery, with patterns unchanged for centuries, but also bold, bright and chunky jewellery).

The Northern European market (Germany, The UK, Scandinavia and Benelux countries) present a picture different from the South. Whereas southern Europeans, both men and women, love their jewellery and show it off, northern Europeans are more restrained and austere in their attitudes. The taste here is for smaller, less ostentatious jewellery. Silver jewellery is much more accepted than in the south. Gold is often of a low standard of fineness, e.g. 8 or 9 carat.

3.3 Consumption patterns and trends

The economic recovery in the European region is stimulating the jewellery market in the region. The strong consumer confidence and disposable (double) incomes, and the emerging fashions and new product developments are likely to lead to an overall growth in all prominent markets. The local industries are expected to face stronger competition from middle to lower market products from low-cost production regions.

General characteristics and trends of European jewellery consumers

- Consumers generally look for one-of-a-kind, high quality jewellery items rather than discounted, run-of-the-mill products.
- Gold jewellery, more than silver jewellery, is bought as a *gift for special occasions*, although there is also a trend among consumers to buy gold jewellery with the motive of *'give yourself a treat'*;
- Jewellery is mostly purchased by women, although there is a rising trend of men buying jewellery (for gifts but also to wear themselves).
- Younger people buy the most, but older people buy more expensive products → the ageing population in Europe is likely to increase the demand for more costly jewellery.
- Compared to gold jewellery, costume jewellery (imitation jewellery, made of cheaper materials, imitation pearls and glass, and therefore much cheaper) is far more subject to fashion and is often purchased to be combined with new clothing; with respect to silver jewellery, there is a noticeable trend in consumer behaviour to increasingly resemble that of costume jewellery (i.e. serving as fashion articles).
- Modestly growing interest in unusual pieces (Far Eastern, Indian and African styles) and use of natural materials prompted by a general concern for ecology and nature. Consumers are foremost interested in the *product range* of a jeweller (a lot of choice, also in price) and in the *image* of the jewellery; the demand for *simple and austere designs* is still on the rise.
- The purchase of jewellery in the EU is highly seasonal → one-third of the diamond jewellery is being bought in December.

The nature of jewellery is changing and the future is likely to see a bigger emphasis on service and quality, as an ageing population and improved standards of living contribute to a growing demand for higher-end products. As a result, intensified competition in the lower-price segments is anticipated. The unified EU market and production in south-east Asia are expected to further intensify competition in the lower segments. Moreover, the practice of importers to assemble imported pieces into final products, and the increased subcontracting to manufacturers in the Far East will put even more pressure on EU manufacturers and prices.

Gold jewellery



While white metals will remain popular, yellow gold is staging a come-back. Yellow gold now looks fashionable and fresh again. Furthermore, gold colour can enhance the attraction of warm

coloured gemstones. According to the World Gold Council, gold demand for jewellery purposes grew by 12 percent in the last quarter of 2000. The World Gold Council expects the resurgence of yellow gold to continue well into 2001, with more positive impact from the national gold advertising campaigns launched by the Council.

Silver jewellery



Having been generally ignored by jewellery makers in the 1980s, silver has been experiencing a revival, showing a strong growth in Europe in recent

years. The return of silver is in part due to the popularity of white metals.

Silver is versatile, and is much easier to adapt to young styles at cheaper prices than gold.

Men's jewellery and accessories, especially in sterling silver, are all popular. Sales of sterling silver jewellery and accessories are on the rise, with cuff links and rings being the most popular. Other sought-after items include key rings, money clips and ID bracelets.

Men may be choosing white metal accessories for their understated sophistication, or they may be following the lead of celebrities and fashion idols, who have been seen sporting heavy silver link neck chains, bracelets and belt buckles.

Silver watches are appearing on the most stylish wrists. French cuff shirts are back in fashion, calling for dressier, upscale, as well as refined novelty cuff links and stud sets in cigar, martini, automobile, golf and computer motifs. And deluxe-looking sterling cigar, bar and desk accessories are the latest status collectibles.

The newest jewellery styles replicate modern architecture, with clean, spare lines in either highly polished or satin finishes. For men who prefer timeless classics, there are intricately crafted designs that pay homage to the past.

Platinum jewellery



In terms of materials, white metals are likely to remain popular. The total demand for platinum in Europe is estimated to have increased by 8 percent in 2000.

However, rising prices of the metal will to some extent affect the demand for platinum jewellery. White gold has also been gaining popularity among younger consumers for whom the designs and prices are more important.

The greatest advance for platinum in 2000 occurred in the UK market, where the weight of platinum jewellery submitted for hallmarking increased by 28 per cent. As in many other markets developing for platinum jewellery, the UK bridal sector has been the first segment to show substantial growth. Some retailers have now started to offer other platinum jewellery products, such as lightweight chains imported from Italy.

Designs for platinum jewellery remain sleek and simple, reflecting the minimalist trend in white metal. Consumers prefer a new classic style: simple, clean and meant to last through all fashion waves. White metal is likely to continue to be a popular trend. Platinum jewellery used to be cast and very gem-heavy. Sales of fashion jewellery such as necklaces, pendants and bracelets are up strongly, and light-weight items in platinum have been particularly popular.

The outlook for jewellery demand in 2001 is less assured. The fashion for white metal jewellery seems certain to continue but the higher price of platinum over the past year has resulted in some of the demand at the cheaper end of the market moving to white gold.

Jewellery with precious stones

Apart from yellow gold, the market has witnessed a strong revival of coloured gemstones, and the trend is generally expected to continue into 2001. Blue is likely to remain the favoured colour, while pink and yellow gemstones may also sell well. Some large fashion retail chains in Europe are offering fashion jewellery as accessories complementing their new lines of fashion.

Such development could contribute to an increased demand for fancy diamonds, which are expected to top the list of jewellery buyers. In the medium to lower-end segment, semi-precious stones are selling well. Coloured stones or crystals, targeting medium to lower-end fashion jewellery, are also expected to be popular.

Diamonds



Seeing the growing popularity of diamonds among male consumers, jewellers have been quick to respond to the market signals, presenting diamond jewellery in nearly 100 different designs. This is a strong increase from just a few years ago. Diamond jewellery items for men are characterised by their simple designs, variety and fine craftsmanship. Most of the popular designs in the market have simple and tasteful styles, featuring structured- orrhombus-shaped diamonds set prominently and emphasising the ruggedness of masculine beauty. While diamonds were mostly found on rings for men in the early days, today they are also seen studding cuff-links, lapel pins, neck-tie pins, belt buckles, suspenders and wallets. These diamond jewellery pieces come in dozens of styles to suit the profession and status of individual consumers. Greater attention than before is also paid to detail, with smooth lines and fine finishing highlighting the clarity and elegance of the diamond.

Pearls



Apart from platinum, pearl remains popular, with white and black pearls being mixed with white or yellow metal. The demand for freshwater pearls, which offers a low price point, may continue to be strong, as the quality and size have shown great improvement. Aside from standard white pearl, natural pink colour pearl is also popular.

Coloured gems



Consumer awareness of coloured gemstones is on the rise. Some large fashion retail chains in Europe are offering fashion jewellery as accessories complementing their new lines of fashion. Such development could contribute to an increased demand for fancy coloured diamond. In the medium to lower-end segment, semi-precious stones are selling well. Coloured stones or crystals, targeting medium to lower-end fashion jewellery, are also expected to be popular.

Partly due to the rising popularity of coloured stones, the soft, warm colour of rose gold is also increasingly being used as a backdrop for an array of coloured

stones. The rose metal, according to some designers, can enhance the richness of coloured stones and is expected to gain popularity, notably in contemporary designs. For example, since rose gold is more of an earth tone, it lends itself to designs that portray nature, such as floral and animal motifs.

In terms of product trends, jewellery designs have been increasingly influenced by clothing fashion. The number of fashion-conscious customers has indeed increased over the past few years. In many cases, they are affected by the trends in clothing fashion, mainly through magazines, TV or movies. Meanwhile, consumers, especially women, are opting for more accessories like jewellery to express their sense of style. Yet, they prefer a simple, clean and sleek design, reflecting a continuation of the minimalist trend.

4 PRODUCTION

As the jewellery industry has a great need for specialists, it remains to be concentrated in places with a long-built tradition and infrastructure.

The main manufacturing centres within the EU are in:

- Italy → Arezzo, Vicenza, Vacenza Po, Lombardy, Milan
- Germany → Pforzheim; Idar-Oberstein is an important centre of gemstone industry
- France → Paris and Lyon (France)
- United Kingdom → London, Hatton Garden, Birmingham and Sheffield
- Belgium → Antwerp

A large number of these manufacturers consists of small and medium size enterprises. Some of the bigger European jewellery manufacturers are:

- Engelhard-Clal (France)
- Unoerre Italia Spa (Italy)
- Franz Golz (Germany)
- Guthmann & Wittenauer Gmbh & Co (Germany)

Gold jewellery production



In 1999, the total production of gold jewellery of the four leading EU countries amounted to 629 tonnes, 3.8 percent lower than in 1998.

Between 1996 and 1997, however, there had been a strong increase in gold jewellery production from 538 tonnes to 605 tonnes.

Characteristics of products from different countries

Japanese-made jewellery is known for its precise and careful workmanship. Products from other Asian suppliers are known for their low cost and availability, while products from Europe and the USA are noted for their superior design and styling. In addition, Japan mostly uses 18 carat gold for gold jewellery, whereas other countries use a variety of grades of gold, including 24 carat, 14 carat and 9 carat gold.

Italy

Italian jewellery is known for its high fashion appeal and its broad range of classic and modern styles. Italy also features the most advanced jewellery-making technology, as evident in its machine-made necklaces.

Germany

Germany is known for the simple elegance of its styling and its superior processing technology. Germany makes a wide range of high-weight, luxury grade products.

Switzerland

Switzerland is noted for its careful workmanship, which comes from its long tradition in production/assembly of watches. Most of its jewellery consists of handmade luxury-grade products.

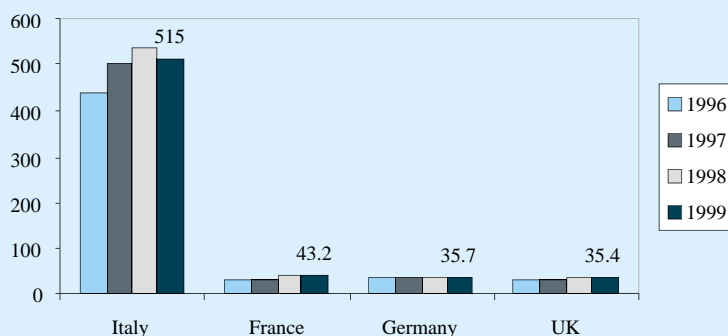
United States

The USA is mainly known for wedding rings and other machine-made products, along with some ultra-luxury grade handmade name brand products.

Hong Kong

Most of Hong Kong's jewellery products are hand-worked cast metal items.

Figure 4.1 Production of gold jewellery by the four leading EU countries, 1996-1999
million tonnes



Source: World Gold Council (2000)

Italy is the world's largest gold jewellery maker, accounting for around 4 percent of the world-wide output, and about 40 percent of the European output. Gold jewellery production amounted to 515 tonnes in 1999, decreasing from its record level of 540 tonnes in 1998. The USA is the largest importer of Italian gold jewellery (about 40 percent of total USA jewellery imports came from Italy). However, Italy's share on the USA market is slipping in the face of tougher competition from some Latin American and Far Eastern countries.

Italian production in the first three months of 2001 was 2 percent higher than a year earlier at 107 tonnes with both domestic and export demand performing well. The Americas, Dubai and Hong Kong continued to take significant quantities of Italian jewellery.

France is the second largest producer in the EU, following Italy at a large distance. In 1999, France was able to increase its production level amounting to 43 tonnes. Other producers are Germany (36 tonnes) and the UK (35 tonnes). Over the last years, UK gold jewellery manufacturers have been benefiting from rising domestic demand.

Speak about gold production in Italy and one thinks of industrial zones, spread mainly through areas of Veneto, Tuscany, Piedmonte, Lombardy and Campagna, where more than 90 percent of the national manufacturing of gold is concentrated. These special districts for the gold trade offer the winning formula, even in the global marketplace, and even at a time when technological progress is pushing back the limits of space and time.

The gold manufacturing industry is technological, but above all it concerns tradition, creativity, culture. However, there is one district which is more than this. The Vicenza district by the very nature of its production presents a unique example. Thousands of firms are in business in the area, with more than 10,000 craftsmen and an annual volume that exceeds 3,500 billion lire (\$1.7 billion). The export volume is extremely high, making up 70 percent to 80 percent of production.

Because of these numbers, the Vicenza district is responsible for more than a third of the Italian gold manufacturing industry's entire potential. Vicentine production is represented by a narrow range of manufacturing specialities, namely the production of primarily gold items, stamped jewellery, hand and machine made chains, cases and bracelets for watches. To this is added a broad specialisation in silver manufacturing.

Platinum jewellery production



A lot of people mistake platinum for "white gold" but it really is quite different. The biggest problem, which makes the metal so desirable, is its rarity. While new uses for platinum are being discovered almost daily, its supply is extremely restricted. Remarkable difficulties exist in its mining and production, although more than 130 metric tons of new platinum reach the world market each year; nevertheless, that figure is less than 5 percent of gold production. All of the platinum ever mined would fill a room measuring less than twenty-five feet on a side.

More than 90 percent of all platinum supplies originate in South Africa and Russia. Virtually all of the platinum mined in South Africa is committed to industrial contracts. In contrast to gold and silver, there are no large above-ground platinum stockpiles to protect against significant supply disruptions.

Platinum colour, strength, hardness and resistance to tarnish are some of the advantages of this metal in jewellery. It provides a secure setting for diamonds and other gemstones, enhancing their brilliance.

Moreover, its flexibility is an important element for jewellery designers. Platinum jewellery is regarded as the precious metal for the new millennium.

A fall in jewellery making in Japan was the cause of the first decline in this sector since 1983. Increased recycling of old jewellery, combined with a loss of market share to white gold at the cheaper end of the market, led to a 20 per cent fall in Japanese demand. As a result, Japan was overtaken as the largest market for platinum jewellery by China, where demand exceeded 1 million oz for the first time. Total jewellery demand fell by 40 thousand oz to 2.8 million oz.

Focussing on Europe, it turns out that only 18 percent of total platinum or 200 million oz is used in the jewellery sector. Germany, Europe's largest platinum jewellery producer, slightly increased its production, shifting to more classic designs with wider consumer appeal. Italian producers managed to increase exports (lightweight chains, popular with young people) to the Japanese market.

**Table 4.1 World platinum demand applied in jewellery, 1998-2000
thousand ounces**

	1998	1999	2000
Japan	1,200	1,320	1,060
North America	250	330	380
Europe	160	185	200
Rest of the world	710	1,045	1,200
Total	2,320	2,880	2,840

Source: Johnson Matthey (2001)

The European market for platinum jewellery seem likely to be less affected by the issues of price and economic activity and production is expected to grow modestly.

Silver jewellery production

World silver jewellery and silverware production increased by 3 percent in 2000 to 282 million oz. The increase was strongest in East Asia with demand rising nearly 13 percent to 44 million oz. Europe saw a fifth year of growth, up 3 percent to 88 million oz, due primarily to buoyant demand in Italy where the growth rose 6 percent to 54 million oz. Production demand for this sector in the United States was nearly 5 percent higher at 14 million oz.

Year World production jewellery and articles of silver (million oz), 1995-2000

1995	237
1996	264
1997	275
1998	260
1999	274
2000	282

Source: Silver Institute (2001)

European production of silver jewellery is dominated by the Italians. Italy belongs to the top-3 silver jewellery producers in the world. The other two major producing countries are India and Thailand. Together, these three countries take up some 60 percent of the world's total production. Italian production decreased by 16 percent to 37 million ounces.

This was mainly because of lower domestic demand for tableware. Silver jewellery was up to 10 million ounces due to good silver chain orders from the USA and the Far East.

Gem jewellery production



In jewellery, gemstones are usually combined with precious metals. About 60 percent of all jewellery items contain gemstones.

About 80 percent of the gem jewellery are likely to contain a diamond. The rest is mainly set with sapphires, rubies, emeralds and pearls.

Gemstones are usually imported into Europe, where they used to manufacture jewellery. The section below focuses on gem production itself.

Diamonds

Africa, and in particular the southern African region, is the world's major natural diamond producing region, diamond mining forming a key component of the African mining industry. Botswana is the largest African producer, followed by countries like Congo, South Africa, Angola and Namibia. The increase in production is an indication of the diamond market's recovery.

The top ten rough diamond producers are:

1. Australia
2. Botswana
3. Russia
4. Congo
5. South Africa
6. Angola
7. Namibia
8. Ghana
9. Zimbabwe
10. Central African Republic

The major player in this market segment is De Beers, a South African diamond mining, holding and financial company. De Beers and its associated companies play a pivotal role in the world diamond industry. De Beers Consolidated Mines is the world's largest diamond mining and marketing company. South African ownership of De Beers is approximately 80 percent.

Located in the heart of Europe and famous as port and trade centre, Antwerp is the world's capital for diamonds and the major wholesale centre for precious stones world-wide. Supported by a 500 year-old craftsmanship, thousands of highly skilled diamond workers maintain Antwerp's position day after day. The Antwerp diamond workers have a world-wide reputation for making the best polished diamonds in the world, known as the quality label "Cut in Antwerp".

The central geographical and strategic situation of Antwerp is a huge benefit in maintaining its position as the world diamond centre. The four diamond markets in Antwerp each contribute in many ways to the development of the trade and the industry. They are an essential component of the commercial infrastructure of the diamond trade.

More than half of the world's consumption of rough, polished as well as industrial diamonds is traded in Antwerp, realising an annual turnover of more than US\$ 23 billion. The diamond sector in Belgium accounts for 7 per cent of total Belgian exports and is one of the major economic mainstays of the country.

This fascinating and highly lucrative world has become a vital point of the development of new technology. Computer and laser techniques play an ever more important part in today's diamond world. The fact that Antwerp has been able to maintain its position vis-à-vis the overwhelming competition is clear evidence of the dynamic and energetic approach of its diamond merchants. The metropolis also possesses of the necessary individual know-how and industrial skill to maintain its leadership position. Investments in technology and education are the two other cornerstones on which Antwerp relies to compete with other cutting centres in the world and to meet the ever stricter quality standards for finished products. Last but not least, investments are made in the field of new sales techniques.

In 1999, the EU imported US\$ 19 billion of diamonds, of which 59 percent is accounted by Belgium. Belgium ranks among the major diamond cutting centres in the world, along with India, Israel and the USA. Leading diamond cutting companies are Rosy Blue and Lens Diamond. These companies have established trade relations with big suppliers such as De Beers, a South African diamond mining company. The company's marketing arm is the Central Selling Organisation and is located in London.

The other major importer is the UK, which accounted for 35 percent of diamond imports. Switzerland and the UK are the two leading supplying countries to the EU. Imports into the UK are mainly re-exports to Belgium. Developing countries accounted for 27 percent of total EU diamonds imports in 1999. India, South Africa, Congo and Angola are the leading supplying developing countries.

Rubies, sapphires and emeralds

After years of dominance by diamonds, colour is back in fashion. Manufacturers are returning to lines full of bold blues, rich reds and glamorous greens.

Along with these standard tones, fancy-coloured sapphires, including pink and yellow, manufacturers tempt to continue serving the European markets.

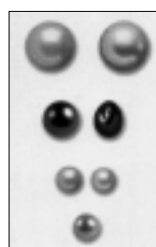
Other gemstones that are frequently used in jewellery are rubies, sapphires and emeralds. The main suppliers are:

- Thailand
- Colombia
- Brazil
- India
- Sri Lanka
- Myanmar

India, Sri Lanka and Myanmar have always been famous for their gems. They have a developed and thriving jewellery industry, also for exports. The gem industry in India is regarded as one of the leaders in the world market. This industry, which started in the 1960s, has grown into an important source of foreign exchange for the country, and is offering over one million jobs. Jaipur has become an international market for emeralds.

Bangkok is today the coloured gemstone capital of the world. The country is a major source of rubies and sapphires, while Bangkok has also become an established cutting and setting centre for all kinds of precious stones. Jewellery-making facilities have expanded rapidly in recent years, and today Thailand ranks as the world's second biggest jewellery exporter. Colombia is also known for emeralds.

Pearls



Currently, pearls are produced in many countries, major producers being:

- Japan
- China
- Australia
- Indonesia
- Tahiti

Japan developed the cultivation process and continues to dominate the saltwater pearl industry. Presently there are some attempts to develop other fresh water pearls in Japan. China is developing its fresh and salt water pearl production, and with its low cost production it is rapidly gaining market share, taking it mostly from the Japanese. Australia, Indonesia, Tahiti and other South Pacific nations are developing their pearl industries.

Their pearls are distinctive in that they are larger than other pearls. The Tahitian pearls are highly appreciated because of their wide range in coloration.

General trends

- Many EU industries are under pressure from cheap imports and market values are suffering accordingly, forcing many manufacturers to shift production overseas themselves.
- The market is heavily influenced by the cost of raw material, with fluctuations in the world prices for precious metals and gemstones.

5 IMPORTS

With reference to the remarks made in Chapter 2, the trade figures in this chapter must be interpreted and used with extreme caution. Although figures for trade between the EU and the rest of the world are fairly accurately represented, trade within the EU is generally underestimated.

Another important factor which must be kept in mind (see also Section 1.1) when interpreting the trade figures to follow, is the fact that the official trade statistics make no distinction between lower and higher qualities in jewellery products. This means that the import figures of jewellery products in this chapter are substantially higher than the more strict precious jewellery consumption and production figures analysed in the previous chapters.

5.1 Total imports

Imports of precious jewellery into the EU countries amounted to US\$ 3.4 billion in 1999, indicating a decrease of 10 percent compared to 1997. The UK is the Union's main importer, accounting for 33 percent of total imports in 1999, followed by Germany (18%)

and France (17%). Import performances by the UK and Ireland have been somewhat different from the Union's jewellery import developments in general. In contrast to Ireland, where imports of precious jewellery increased by 32 percent compared to 1997, imports into the UK decreased (down 37%), thereby reducing its relative dominant position.

Italy is by far the leading supplier of precious jewellery to the EU, accounting for 27 percent of total imports in 1999. The second largest supplier to the EU is Thailand (9%), followed by Switzerland (9%) and India (6%). It should be noted that Greece, Sweden and Spain (with high imports volume) mainly imported low valued jewellery.

In recent years, imports from Hong Kong (down 26%) and France (down 14%) have strongly decreased, while imports from China (up 51%) and India (up 15%) considerably increased.

Developing countries accounted for 26 percent of total imports in 1999, and were mainly represented by Thailand, India and China.

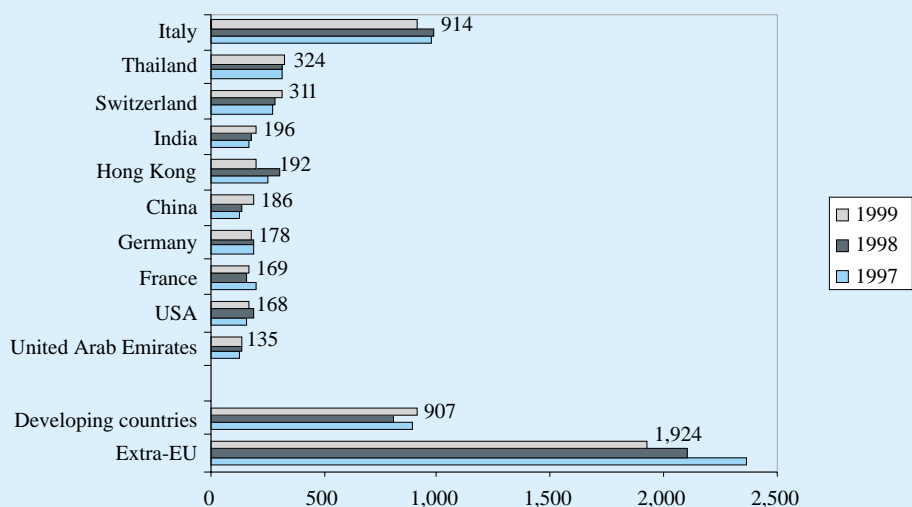
Table 5.1 EU imports of precious jewellery by member country, 1997-1999
US\$ thousand / € thousand / tonnes

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total EU	3,963,465	9,189	3,687,286	10,494	3,439,727	3,245,025	18,004
United Kingdom	1,803,044	4,045	1,428,812	1,672	1,137,299	1,072,924	1,797
Germany	646,685	659	643,573	638	636,833	600,786	820
France	455,082	621	525,066	541	578,874	546,108	991
Italy	194,742	437	222,369	499	232,992	219,804	686
Spain	186,601	1,539	230,974	5,699	196,013	184,918	1,465
Austria	160,149	113	119,385	68	125,536	118,430	102
The Netherlands	107,444	99	98,362	95	115,135	108,618	174
Belgium	na	na	na	na	103,550	97,689	132
Portugal	87,302	66	97,993	114	100,296	94,619	277
Greece	60,241	1,139	58,242	300	53,813	50,767	8,298
Sweden	53,050	70	46,343	333	48,034	45,315	2,805
Ireland	29,357	93	38,872	268	38,658	36,470	385
Denmark	35,847	71	40,593	69	33,052	31,181	21
Finland	29,592	84	24,563	71	25,122	23,700	36
Luxembourg	na	na	na	na	14,523	13,701	15
Belgium & Luxembourg	114,328	153	112,141	127	-	-	-

Note: statistics are not separately available for Belgium and Luxembourg for the years 1997 and 1998

Source: Eurostat (2000)

Figure 5.1 Leading suppliers of precious jewellery to the EU, 1997-1999
US\$ million



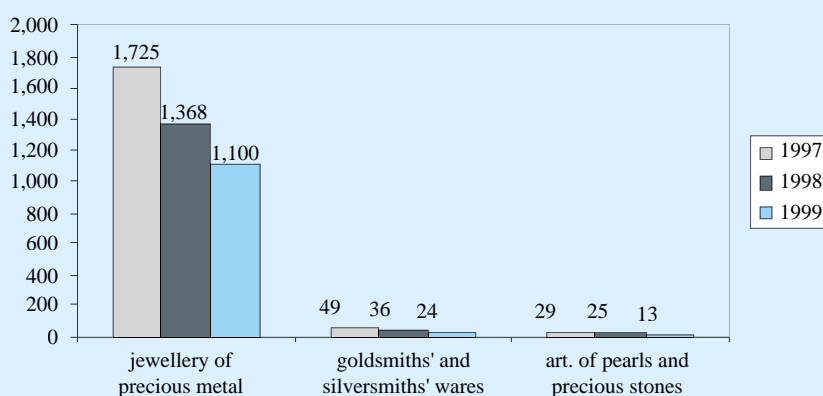
Source: Eurostat (2000)

United Kingdom

The UK is the leading European importer of precious jewellery, with imports amounting to more than US\$ 1 billion in 1999, indicating a strong decrease of 37 percent compared to 1997. 'Jewellery of precious metal' dominated the imported precious jewellery, showing considerable decreases between 1997 and 1999.

Italy is the largest supplier of precious jewellery, accounting for 18 percent of all UK imports in 1999, a market share that slightly decreased during the period reviewed. India and the United Arab Emirates followed in order of importance. Developing countries mainly supplied 'articles of base metal' and 'articles of jewellery of silver' to the UK.

Figure 5.2 UK imports of precious jewellery, 1997-1999
US\$ million



Source: Eurostat (2000)

Table 5.2 Supplying countries to the UK by product group and subgroup, 1999

product groups	Leading suppliers of precious jewellery to the UK	Share DC
Articles of jewellery of precious metal	→ Italy (19%), India (11%), United Arab Emirates (10%)	24
• Of silver	→ Thailand (51%), Italy (11%), India (6%)	65
• Of other precious metal	→ Italy (19%), India (11%), United Arab Emirates (11%)	22
• Of base metal	→ USA (28%), Hong Kong (13%), Thailand (10%), Italy (9%)	23
Articles of gold- or silversmiths wares	→ United Arab Emirates (17%), USA (14%), Hong Kong (12%)	29
• Of silver	→ USA (23%), United Arab Emirates (15%), India (11%)	31
• Of other precious metal	→ United Arab Emirates (24%), Hong Kong (22%), Brunei (15%)	16
• Of base metal	→ China (41%), Hong Kong (11%), USA (10%)	66
Articles of pearls and precious stones	→ USA (32%), Germany (16%) France (14%)	17
• Of pearls	→ USA (65%), Japan (17%)	1
• Necklaces, bracelet etc. made wholly of precious stones	→ India (22%), Germany (18%), Italy (14%)	31
• Other art. wholly made of precious stones	→ France (66%), Germany (7%)	14
• Other art. not wholly made of precious stones	→ Germany (41%), South Korea (18%), USA (9%),	38
Precious jewellery	→ Italy (18%), India (11%), United Arab Emirates (10%)	24

Note: The share of the country imports in % of the total imports is mentioned in brackets DC means developing countries

Germany

Germany is the second European important importer of precious jewellery. Between 1997 and 1999, its imports stabilised and amounted to US\$ 637 million in 1999. 'Jewellery of precious metal' is the most popular product group importing into Germany, which accounted for about 95 percent of all precious jewellery.

Italy and Thailand are the leading suppliers of precious jewellery to Germany, accounting for 29 percent and 20 percent of total 1998 imports respectively. Imports from Switzerland and Hong Kong decreased considerably between 1996 and 1998 (down 29% and 27% respectively).

Even though imports from Italy decreased by 25 percent, it remained the leading supplying country to

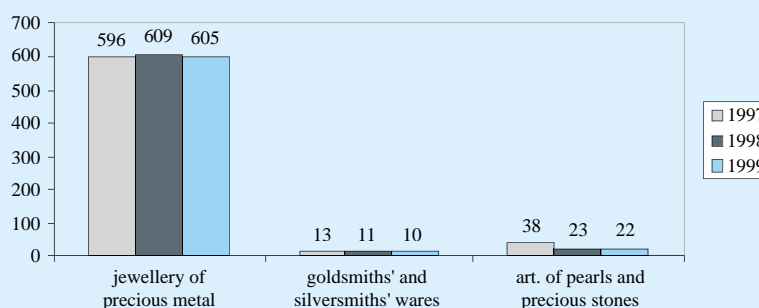
Germany. Imports from Hong Kong decreased considerably between 1997 and 1999 (down 48%). Developing countries accounted for 45 percent of total imports, mainly represented by Thailand, China and India. These countries mostly supplied 'necklaces, bracelets etc. made wholly of precious stones' and 'jewellery of silver'.

France

With imports amounting to US\$ 579 million in 1999, France is the third leading EU importer. French imports increased by 27 percent compared to 1997. Also the product group 'jewellery of precious metal' is the most popular group imported into France, accounting for 96 percent of total precious jewellery imports in 1999.

In 1999, Italy was the largest supplier and accounted for 36 percent of total precious jewellery imports into

Figure 5.3 German imports of precious jewellery, 1997-1999
US\$ million



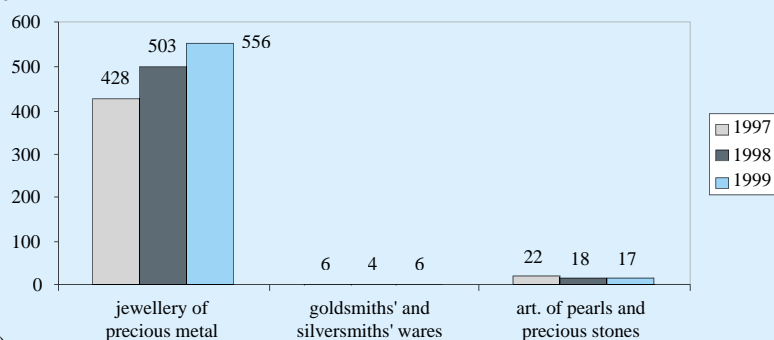
Source: Eurostat (2000)

Table 5.3 Supplying countries to Germany by product group and subgroup, 1999

Product group	Leading suppliers	Share DC
Articles of jewellery of precious metal	→ Italy (24%), Thailand (20%), China (11%)	46
• Of silver	→ Thailand (33%), China (25%), Italy (10%)	72
• Of other precious metal	→ Italy (28%), Thailand (17%), Switzerland (11%)	40
• Of base metal	→ Taiwan (23%), France (17%), China (16%)	23
Articles of gold- or silversmiths wares	→ Italy (26%), USA (12%) Switzerland (9%)	18
• Of silver	→ Italy (27%), USA (13%), Switzerland (8%)	21
• Of other precious metal	→ Italy (32%), France (20%), Switzerland (19%)	5
• Of base metal	→ Estonia (31%) Luxembourg (12%), Italy (11%)	13
Articles of pearls or precious stones	→ China (28%), Hong Kong (17%), India (14%)	51
• Of pearls	→ Hong Kong (30%), China (25%), Japan (17%)	25
• Necklaces, bracelets etc. made wholly of precious stones	→ India (54%), China (19%), Hong Kong (16%)	75
• Other art. wholly made of precious stones	→ China (43%), Brazil (14%), Hong Kong (9%)	69
• Other art. not wholly made of precious stones	→ China (26%), India (14%), USA (8%)	50
Precious jewellery	→ Italy (24%), Thailand (19%), China (12%)	45

Figure 5.4 French imports of precious jewellery, 1997-1999

US\$ million



Source: Eurostat (2000)

Table 5.4 Supplying countries to France by product group, 1999

product group	Leading suppliers of precious jewellery to France	Share DC
Articles of jewellery of precious metal	→ Italy (38%), Switzerland (13%), Thailand (10%)	26
• Of silver	→ Thailand (28%), Italy (22%)	39
• Of other precious metal	→ Italy (39%), Switzerland (14%)	25
• Of base metal	→ Spain (41%), Italy (30%)	3
Articles of gold- or silversmiths wares	→ Belgium (25%), Italy (18%), Tunisia (18%)	25
• Of silver	→ Belgium (38%), Tunisia (24%), Italy (15%)	28
• Of other precious metal	→ Portugal (49%), Syria (28%), Italy (17%)	28
• Of base metal	→ Italy (30%), United Kingdom (9%), USA (8%)	14
Articles of pearls or precious stones	→ Thailand (33%), China (23%), Hong Kong (9%)	69
• Of pearls	→ China (41%), Hong Kong (28%), USA (15%)	46
• Necklaces, bracelets etc. made wholly of precious stones	→ India (27%), Taiwan (18%), Hong Kong (18%)	45
• Other art. wholly made of precious stones	→ Thailand (33%), China (28%), Spain (12%)	74
• Other art. not wholly made of precious stones	→ Thailand (55%), China (10%), Mauritius (10%)	79
Precious jewellery	→ Italy (36%), Switzerland (12%), Thailand (10%)	27

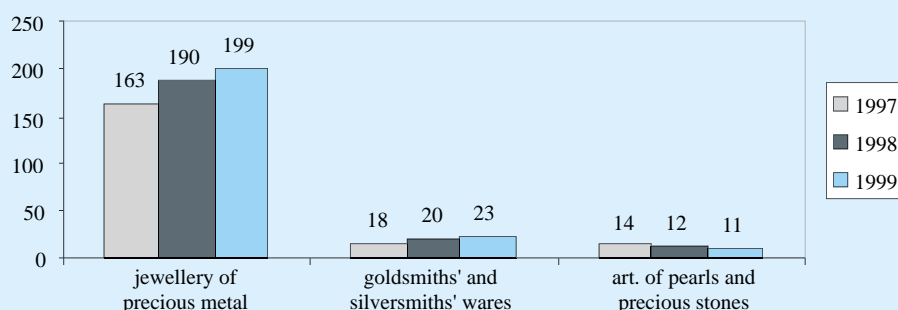
France. Other important suppliers are Switzerland, Thailand and China. Developing countries supply a considerable share of 'articles of pearls and precious stones' to France, accounting for more than 60 percent of French precious jewellery imports in 1999. Thailand, China, Mauritius and Vietnam are the 4 developing countries among the top 10 suppliers of precious jewellery to France.

Italy

Between 1997 and 1999, imports of precious jewellery into Italy increased by 20 percent, amounting to US\$ 233 million in 1999, causing by increases of imports of 'jewellery of precious metal'. The same picture as in the other EU countries is shown: 'jewellery of precious metal' is the leading product group imported into Italy, accounting for 86 percent of total imports in 1999 and increased strongly between 1997 and 1999.

Imports originating in the major supplying countries of precious jewellery to Italy, i.e. Switzerland and France, increased between 1997 and 1999 by 39 percent and 64 percent respectively while imports from the USA as the second leading supplier, decreased by 13 percent.

Figure 5.5 Italian imports of precious jewellery, 1997-1999
US\$ million

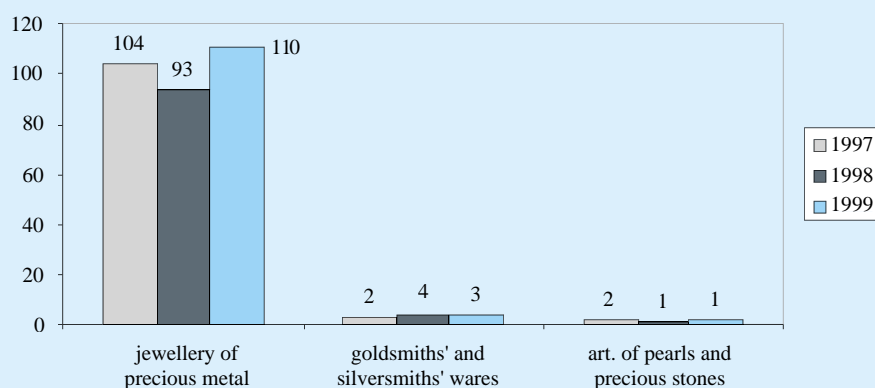


Source: Eurostat (2000)

Table 5.5 Supplying countries to Italy by product group, 1999

Product group	Leading suppliers of precious jewellery to Italy	Share DC
Articles of jewellery of precious metal	→ Switzerland (18%), France (12%), USA (11%)	26
• Of silver	→ Thailand (25%), India (15%), USA (11%)	58
• Of other precious metal	→ Switzerland (20%), France (13%), USA (11%)	21
• Of base metal	→ France (21%), United Kingdom (13%), Austria (12%)	19
Articles of gold- or silversmiths wares	→ Switzerland (31%), UK (25%), India (13%)	20
• Of silver	→ UK (42%), Switzerland (16%), USA (9%)	10
• Of other precious metal	→ Switzerland (70%)	5
• Of base metal	→ India (55%), UK (21%)	64
Articles of pearls or precious stones	→ China (34%), USA (10%), Germany (9%), Japan (9%)	50
• Of pearls	→ China (46%), Japan (35%), Hong Kong (10%)	46
• Necklaces, bracelets etc. made wholly of precious stones	→ China (23%), India (23%), Germany (21%)	47
• Other art. wholly made of precious stones	→ China (46%), Brazil (11%)	76
• Other art. not wholly made of precious stones	→ USA (28%), China (26%), Switzerland (17%)	35
Precious jewellery	→ Switzerland (19%), USA (11%), France (10%)	27

Figure 5.6 The Netherlands imports of precious jewellery, 1997-1999
US\$ million



Source: Eurostat (2000)

Table 5.6 Supplying countries to The Netherlands by product group and subgroup, 1999

product group	Leading suppliers of precious jewellery to the Netherlands	Share DC
Articles of jewellery of precious metal	→ Hong Kong (20%), Italy (20%), Germany (18%)	18
• Of silver	→ Italy (25%), Thailand (22%), Germany (15%)	33
• Of other precious metal	→ Hong Kong (22%), Italy (19%), Germany (19%)	16
• Of base metal	→ Hong Kong (28%), Thailand (21%), Germany (20%)	30
Articles of gold- or silversmiths wares	→ Belgium (33%), Germany (26%)	8
• Of silver	→ Belgium (44%), Hungary (12%)	11
• Of other precious metal	→ Germany (44%), Belgium (22%), Italy (12%)	5
• Of base metal	→ Germany (70%), UK (10%)	6
Articles of pearls or precious stones	→ Hong Kong (41%), USA (14%), China (14%)	17
• Of pearls	→ Hong Kong (52%), Germany (37%)	5
• Necklaces, bracelets etc. made wholly of precious stones	→ Hong Kong (51%), Australia (26%)	4
• Other art. wholly made of precious stones	→ Hong Kong (50%), China (31%)	40
• Other art. not wholly made of precious stones	→ USA (37%), Switzerland (35%)	1
Precious jewellery	→ Hong Kong (20%), Italy (19%), Germany (18%)	18

The Netherlands

Netherlands imports of precious jewellery increased by 7 percent between 1997 and 1999, amounting to US\$ 115 million in 1999.

Hong Kong, Italy and Germany are the leading suppliers of precious jewellery to The Netherlands, together accounting for 57 percent of total imports. Due to the strong increase in supply from Hong Kong, it became the largest supplier in 1999.

The share of developing countries slightly increased from 16 percent in 1997 to 18 in 1999. Imports from China and India, ranking second and third as supplying developing countries to The Netherlands, increased by 488 percent and 8 percent respectively between 1998 and 1999. Imports from the largest supplying

developing country, Thailand, in contrast decreased by 5 percent. Developing countries mainly supplied articles wholly made of precious stones.

5.2 Imports by product group

Of the total precious jewellery imports into the EU, the product group jewellery of precious metal accounted for 969 percent in 1999.

Articles of jewellery of precious metal

The UK is by far the largest importer of jewellery of precious metal, accounting for 34 percent of total EU imports in 1999. The importance of Italy and France as importers increased between 1997 and 1999.



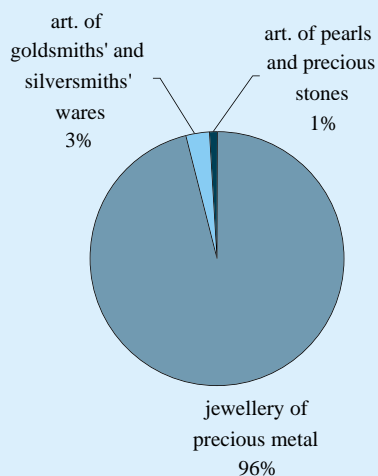
Table 5.7 Imports of jewellery of precious metal into the EU, 1997-1999
US\$ thousand / € thousand / tonnes

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value €	value US\$	volume
EU	3,661,328	4,193	3,431,281	8,155	3,213,258	3,031,375	11,881
United Kingdom	1,724,833	1,460	1,368,224	1,316	1,100,214	1,037,938	1,404
Germany	596,402	208	609,186	226	604,763	570,531	303
France	427,776	211	502,716	210	555,639	524,188	764
Italy	163,045	14	190,036	32	199,256	187,977	51
Spain	158,431	987	202,595	5,361	172,872	163,087	1,169
Austria	143,709	59	105,653	41	112,125	105,778	55
The Netherlands	103,628	68	93,251	75	110,438	104,187	144
Belgium	na	na	na	na	96,856	91,374	58
Portugal	62,170	14	71,084	35	76,133	71,824	65
Greece	51,468	1,029	47,765	212	44,692	42,162	7,359
Sweden	47,965	20	42,614	289	43,801	41,322	122
Ireland	22,689	42	32,286	233	32,685	30,835	350
Denmark	27,996	13	36,017	37	29,117	27,469	13
Finland	23,973	38	22,211	51	22,237	20,978	13
Luxembourg	na	na	na	na	12,429	11,725	11
Belgium & Luxembourg	107,246	30	107,644	37	-	-	-

Source: Eurostat (2000)

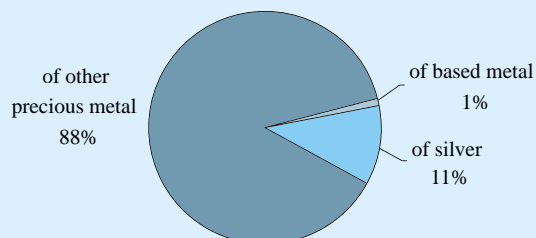
Within this product group, ‘articles of jewellery of other precious metal than of silver and base metal’ played the major role. Compared to 1997, jewellery of silver and of based metal increased by 30 percent and 16 percent respectively in 1999, while jewellery of other precious metal decreased by 16 percent.

Figure 5.7 Imports of precious jewellery into the EU by product group, 1999
% of total value



Source: Eurostat (2000)

Figure 5.8 Imports of ‘jewellery of precious metal’ into the EU by product group, 1999
% of total value

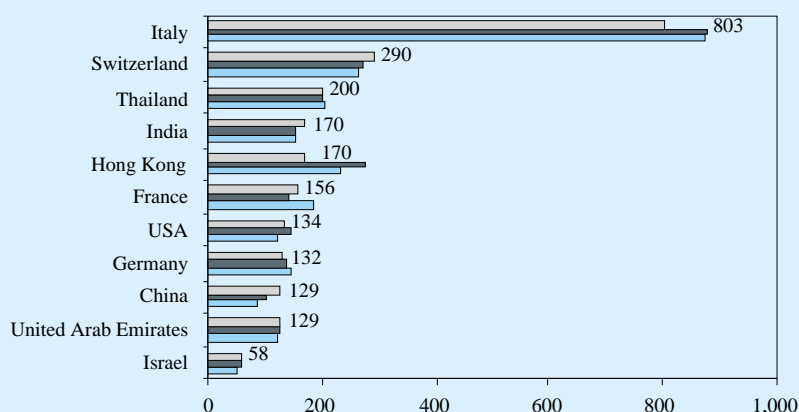


Source: Eurostat (2000)

Although EU imports from Italy decreased between 1997 and 1999, it remained by far the leading supplier of jewellery of precious metal to the EU, accounting for 27 percent of total EU imports. The other EU members, in contrast, played only minor roles. Thailand is ranked second and Switzerland third on the list of most important suppliers. The importance of Hong Kong as a supplier to the EU market is decreasing strongly.

The share of developing countries in imports of jewellery of other than silver and base metal into the EU fluctuated between 1997 and 1999, from 21 percent in 1997 down to 19 percent in 1998 but more than recovered again in 1999 to 23 percent. Within the developing countries, Thailand is the leading supplying

Figure 5.9 Leading supplying countries of 'jewellery of precious metal' to the EU, 1999
US\$ million



Source: Eurostat (2000)

country, followed by India and China. The supply from the latter two countries considerably increased between 1997 and 1999, amounting to US\$ 170 million (up 12%) and US\$ 129 million (up 48%) respectively.

Articles of goldsmiths' or silversmiths' wares



The above mentioned product group accounted for 4 percent of total precious jewellery imports into the EU in 1999.

The UK, Portugal and Italy are the three EU largest importers of 'articles of goldsmiths' or

silversmiths' wares', accounting together for 53 percent of total EU imports in 1999.

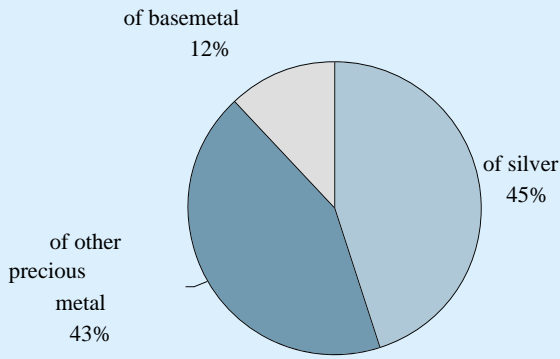
Goldsmiths' and silversmiths' wares of silver played the major part as shown by Figure 5.10. Imports of the three sub-groups decreased between 1997 and 1999. Wares of silver declined by 12 percent compared to 1997, wares of other precious metal by 19 percent and of base metal down by 34 percent.

Table 5.8 Imports of 'articles of goldsmiths' or silversmiths' wares' into the EU, 1997-1999
US\$ thousand / € thousand / tonnes

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
EU	161,564	1,338	143,951	1,140	132,508	125,008	2,300
United Kingdom	49,137	181	36,026	197	24,214	22,843	296
Portugal	22,024	31	24,461	52	23,107	21,799	190
Italy	17,518	259	20,172	341	23,065	21,759	445
Spain	13,480	337	14,071	154	10,777	10,167	132
Germany	12,601	78	10,980	61	9,890	9,330	71
Austria	10,202	23	8,691	19	8,886	8,383	20
Greece	7,689	82	9,330	47	7,946	7,496	903
France	5,676	103	4,325	114	5,756	5,430	98
Belgium	na	na	na	na	4,611	4,350	53
Sweden	3,830	34	2,546	22	3,488	3,291	23
The Netherlands	2,058	23	4,294	16	3,360	3,170	13
Finland	5,260	43	2,079	17	2,600	2,453	19
Denmark	6,038	46	2,528	16	2,331	2,199	5
Ireland	3,170	36	2,251	30	2,174	2,051	30
Luxembourg	na	na	na	na	311	293	2
Belgium & Luxembourg	2,884	62	2,195	54	-	-	-

Source: Eurostat (2000)

Figure 5.10 Imports of 'articles of goldsmiths' or silversmiths' wares' into the EU, 1999 % of total value

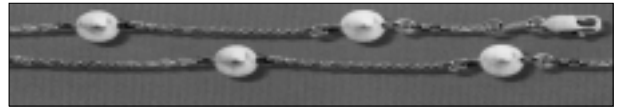


Source: Eurostat (2000)

The importance of EU countries as the leading suppliers of 'articles of goldsmiths' or silversmiths' wares of silver' (mainly Italy and the UK) decreased between 1997 and 1999.

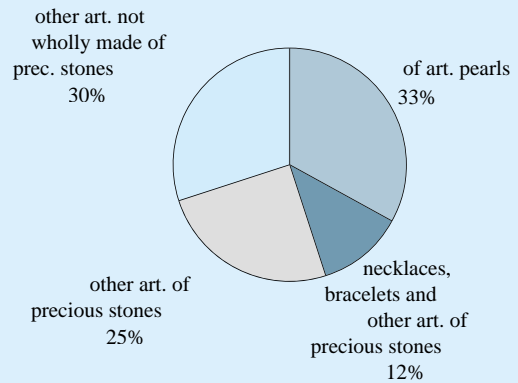
During 1997 and 1999, the share of developing countries in imports of wares of silver stabilised, amounting to 14 percent in 1999. India and Thailand were the two leading supplying developing countries, increasing their supply by 14 percent and 5 percent in 1999 compared to 1997.

Articles of natural or cultured pearls, precious or semi-precious stones



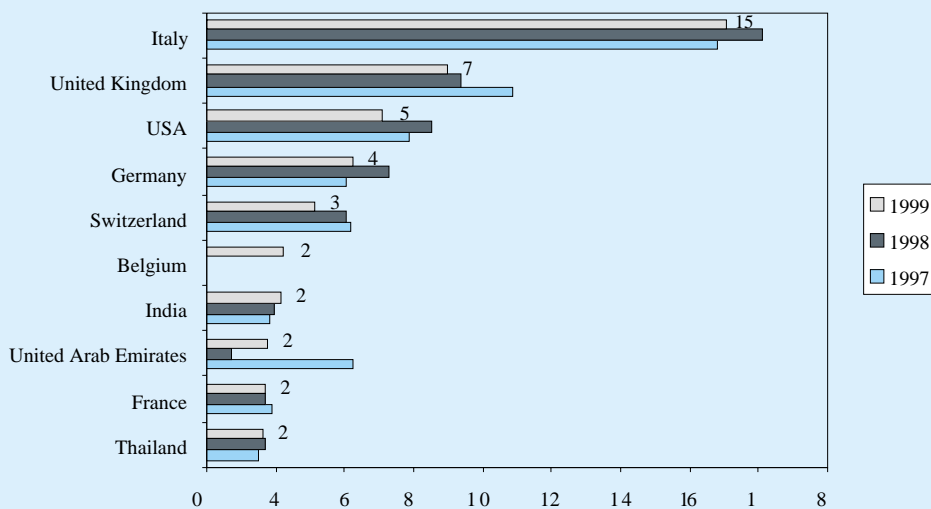
The above mentioned product group accounted for 3 percent of total precious jewellery imports. Between 1997 and 1999, EU imports decreased by 33 percent, amounting to US\$ 94 million in 1999. Germany and France are the leading importers, together accounting for 42 percent of total imports. The role of all EU countries as importer of 'articles of natural or cultured pearls, precious or semi-precious stones' strongly decreased, except for Ireland whose imports

Figure 5.12 Imports of 'articles of pearls, precious or semi-precious stones' into the EU, 1999 % of total value



Source: Eurostat (2000)

Figure 5.11 Leading supplying countries of 'articles of goldsmiths' or silversmiths' wares of silver' to the EU, 1997-1999 US\$ million



Source: Eurostat (2000)

Table 5.9 Imports of articles of natural or cultured pearls, precious or semi-precious stones into the EU, 1997-1999
US\$ thousand / € thousand / tonnes

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total	140,573	3,658	112,054	1,199	93,961	88,642	3,823
Germany	37,683	373	23,407	351	22,181	20,925	446
France	21,629	307	18,024	217	17,479	16,490	129
United Kingdom	29,074	2,404	24,562	159	12,872	12,143	97
Spain	14,691	215	14,309	184	12,364	11,664	164
Italy	14,178	164	12,161	126	10,672	10,068	190
Austria	6,239	31	5,041	8	4,525	4,269	27
Ireland	3,498	15	4,334	5	3,799	3,584	5
Belgium	na	na	na	na	2,083	1,965	21
Luxembourg	na	na	na	na	1,784	1,683	2
Denmark	1,814	12	2,048	16	1,604	1,513	3
The Netherlands	1,758	8	816	4	1,337	1,261	17
Greece	1,085	28	1,148	41	1,176	1,109	36
Portugal	3,108	21	2,448	27	1,056	996	22
Sweden	1,255	16	1,184	22	744	702	2,660
Finland	359	3	273	3	285	269	4
Belgium & Luxembourg	4,198	61	2,302	36	-	-	-

Source: Eurostat (2000)

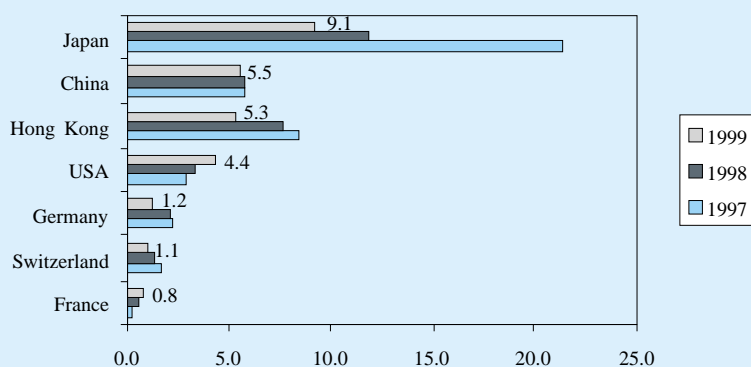
increased by 6 percent compared to 1997. The role of the UK and Portugal as importers strongly decreased as their imports declined by 56 percent and 66 percent respectively.

Within this product group, 'articles of pearls' accounted for 33 percent of total imports into the EU. It remained the leading product group even though imports between 1997 and 1999 decreased by 42 percent. 'Other articles nor wholly made of precious stones' followed in order of importance.

Japan is the leading supplier of 'articles of pearls', whose supply decreased strongly between 1997 and 1999. Imports from Hong Kong, Germany and Switzerland also showed decreases during that same period.

The share of developing countries in EU imports of jewellery and articles of pearls increased strongly from 13 percent in 1997 to 19 percent in 1999. China is by far the leading developing supplying country, accounting for 93 percent of total imports in 1999.

Figure 5.13 Leading suppliers of 'articles of pearls', 1997- 1999
US\$ million



Source: Eurostat (2000)

5.3 The role of the developing countries

Imports originating in developing countries have been increasing. In 1999, imports from developing countries amounted to US\$ 907 million, accounting for 26 percent of the total EU imports of precious jewellery. As shown in Figure 5.14, developing countries played a relatively more important role in German imports than in the imports of other EU countries.

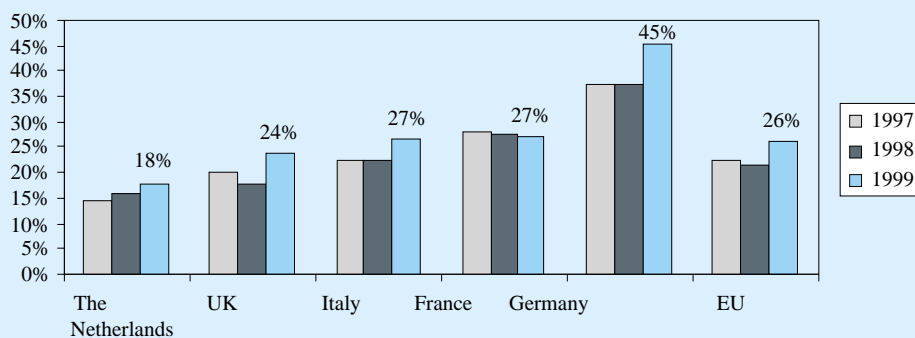
The importance of developing countries as suppliers to the EU is demonstrated by the presence of Thailand, India, China, Turkey, Brunei, Mauritius, Malaysia, Vietnam, Mexico and Indonesia among the top ten supplying countries.

Imports originating in developing countries can be put in perspective, when compared to imports from other parts of the world. Developing countries in general

supply a part of precious jewellery equal to that of Italy. Italy, however, is a far more important supplier of 'articles of gold- and silversmiths wares', as well as 'articles of other silver materials'. In terms of value, jewellery imports from Thailand can be compared to those originating in Switzerland.

Whereas developing countries accounted for a relatively small share of the imports of 'articles of precious metal other than silver and base metal' to the European Union, they accounted for more than 50 percent of the supplies of articles wholly made of precious stones, which was especially high in Italy. Developing countries supplying these articles are represented by China, Thailand, Brazil, Pakistan, the Philippines and Madagascar. Take note that China represents supplies of 'articles of pearls', the UK being a large importer of these products.

Figure 5.14 Share of developing countries in imports of precious jewellery to selected EU countries, 1997 -1999, % of imported value



Source: Eurostat (2000)

Product group	Leading supplying developing countries	Share DC
Articles of jewellery of precious metal	Thailand (37%), India (22%), China (19%)	27
Of silver	Thailand (47%), China (15%), India (7%)	53
Of other precious metal	Thailand (30%), India (26%), China (20%)	23
Of base metal	Thailand (41%), China (27%), Taiwan (19%)	11
Articles of goldsmiths' or silversmiths' wares	India (30%), Thailand (14%), China (13%)	13
Of silver	India (25%), Thailand (18%)	14
Of other precious metal	Bahrain (28%), Thailand (19%)	5
Of base metal	India (52%), China (33%)	35
Articles of pearls or precious stones	China (50%), Thailand (18%), India (13%)	40
Of pearls	China (93%)	19
Necklaces, bracelets etc. made wholly of precious stones	India (59%), China (36%)	50
Other art. wholly made of precious stones	China (54%), Thailand (17%)	57
Other art. not wholly made of precious stones	Thailand (32%), China (32%)	45
Precious jewellery	Thailand (36%), India (22%), China (21%)	26

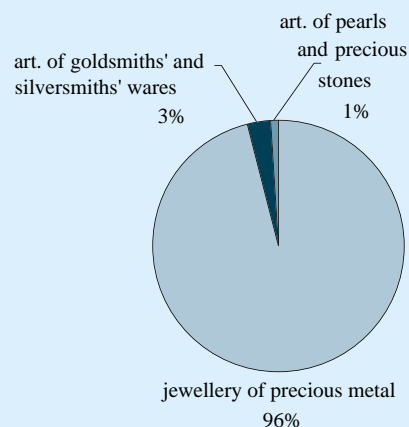
6 EXPORTS

The EU is the world's leading exporter of jewellery and is mainly represented by Italy, accounting for 68 percent of total EU exports in 1999. The United Kingdom, Germany and France together accounted for 26 percent. Between 1997 and 1999, jewellery exports of most EU countries showed decreases, especially in UK (down 55%), Sweden (down 32%) and Denmark (down 32%). Performances of Ireland (up 125%) and The Netherlands (up 86%) are also noteworthy.

Figure 6.1 illustrates the relative importance of the main three product groups of precious jewellery. The EU mainly exported jewellery of precious metal.

Major destinations of EU precious jewellery exports are: USA (27%), Switzerland (10%), United of Arab Emirates (5%) and France (5%).

Figure 6.1 EU exports of precious jewellery per product group (% of total value), 1999



Source: Eurostat (2000)

Table 6.1 Exports of precious jewellery by the EU, 1997-1999 US\$ thousands/€ thousand/tonnes

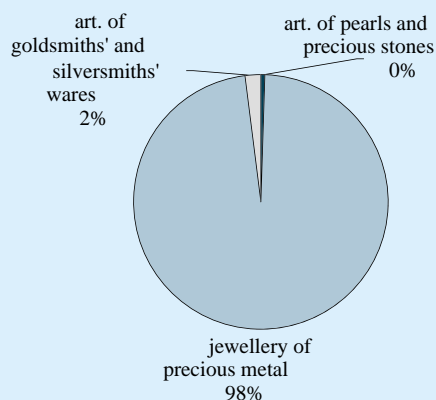
	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total	7,568,882	4,334	7,122,627	5,644	7,091,290	6,689,896	5,893
Italy	4,625,814	1,355	4,557,752	1,010	4,809,809	4,537,556	1,306
United Kingdom	1,500,786	1,221	1,053,890	2,461	678,513	640,107	2,775
France	464,196	270	504,271	324	579,252	546,464	340
Germany	557,299	91	577,762	119	578,850	546,085	130
Spain	165,803	1,089	191,106	1,383	179,667	169,497	617
Belgium	na	na	na	na	79,425	74,929	43
The Netherlands	21,554	29	18,965	28	40,169	37,895	32
Greece	28,198	86	35,360	56	35,107	33,120	438
Denmark	32,790	15	29,820	30	29,597	27,922	23
Austria	41,123	19	34,352	13	27,880	26,302	37
Portugal	23,461	12	25,710	14	21,428	20,215	80
Finland	15,660	14	14,028	35	13,581	12,812	6
Ireland	3,600	7	5,510	47	8,087	7,629	29
Sweden	9,517	16	5,484	58	6,513	6,144	35
Luxembourg	na	na	na	na	3,424	3,230	2
Belgium & Luxembourg	79,080	110	68,624	66	-	-	-

Source: Eurostat (2000)

Italy

As shown by Figure 6.2, Italy mainly exported jewellery of precious metal. Between 1997 and 1999, silversmiths' wares and jewellery of precious metal increased each by 11 percent, while articles of precious stones declined by 11 percent.

Figure 6.2 Exports of precious jewellery by Italy per product group in % of total value, 1999



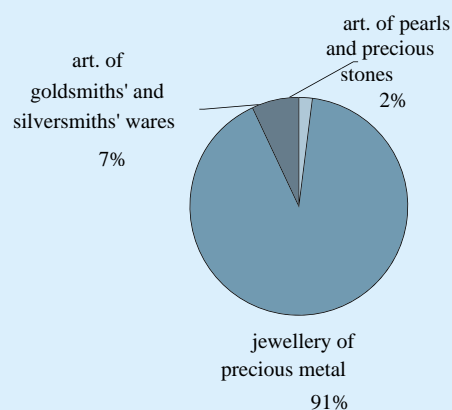
Source: Eurostat (2000)

Major destinations of Italian exports are USA (34%), United Arab Emirates (6%), Panama (5%) and France (5%).

United Kingdom

The UK also mainly exported jewellery of precious metal. However, between 1997 and 1999, UK exports of precious jewellery decreased strongly. Exports of jewellery of precious metal and of goldsmiths' and silversmiths' wares declined by more than 50 percent, and articles of precious stones decreased by 36 percent. Major destinations were Hong Kong (16%), Switzerland (15%), Brunei (14%) and the USA (12%).

Figure 6.3 Exports of precious jewellery by the UK by product group, 1999



Source: Eurostat (2000)

7 TRADE STRUCTURE

7.1 EU trade channels

In the EU, there are many jewellery manufacturers. A large number of these manufacturers consists of small and medium size enterprises. Some of the larger European jewellery manufacturers are Engelhard-Clal (France), Unoaerre (Italy), Franz Golz (Germany), Guthmann & Wittenauer Gmbh & Co (Germany).

This is a diverse group of companies. Engelhard-Clal has global production and sales sites worldwide, Franz Golz manufactures but also imports jewellery and bijouterie, while Guthmann & Wittenauer and Unoaerre are only manufacturing and not importing at all. This group of larger manufacturers is not of much interest to exporters in developing countries.

Precious jewellery is mainly sold through speciality jewellers, but there is a growing number of multiple and non-specialist outlets. In the 1980s, some retail chains became important jewellery vendors, such as Ratners in the UK and Magic Moment and Gold Market in Italy, and Siebel in the Netherlands.

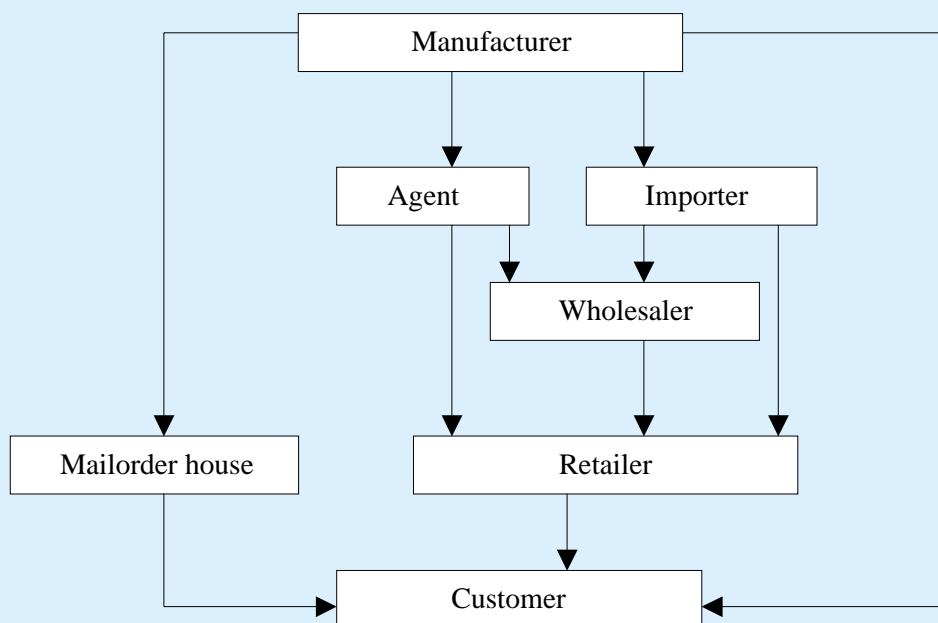
A major shake-up of the retail jewellers, involving consolidation and rationalisation, is expected throughout the EU. Independent retailers are the most under pressure of rising overhead, and are expected to lose market share to the specialists retail chains (which can negotiate preferential buying terms).

Department stores and mail order retailers take up minor shares. In order to reduce costs, most independent jewellers organise themselves into buying groups in order to gain preferential buying terms. A few examples of these buying groups are Bijenkorf, Wehkamp, Gold Design, Cachet and Diamond Point.

E-commerce (for example Ebay UK) is starting to make an impact on the jewellery sales. This new distribution channel is expected to replace a lot of traditional importing-exporting. On the other hand, precious jewellery articles are expensive and personal, which places certain limits on the potential of this direct sales channel. Consumers usually want to get the “feel” of the article and try it on, which makes this way of sales more likely to happen through specialist intermediary retailers.

Brand marketing is still rare in the jewellery industry. However, there are a few existing brands that are active mainly in the costume jewellery sector, originating from enterprises with well-known brand names in other industries such as cosmetics or clothing (e.g. Cartier, Kenzo, Moschino, Fiorucci). Brand name jewellery is rapidly increasing its share of the European market. Consumers seem to accept in brand-name jewellery design styles and price brackets they would not accept in “anonymous” jewellery. They no longer buy jewellery, they buy a name.

Figure 7.1 Distribution network of the precious jewellery in the European Union



Consumers generally look for one-of-a-kind, high quality jewellery items rather than for discounted, run-of-the-mill products. This fact is acknowledged by retailers who have adopted their buying and marketing strategies accordingly. Specialist outlets still dominate the retail distribution, but lower price trends are favouring discounters, catalogue showrooms and direct sales. Yet, given the strength of gift and special occasion purchasing, specialists continue to have an advantage when it comes to expert advice and service.

Italy

- The majority of jewellery is sold through specialists as they remain the main stockists of jewellery;
- Jewellery franchising is increasingly popular in Italy, both within department stores and shopping centres.
- Silver jewellery is often sold through perfume specialists, particularly during peak selling periods such as Christmas and Easter. Items tend to be targeted at the middle market and to be gift orientated.
- The mail order market as a whole is relatively small in Italy.

Germany

- Specialist retailers remain the primary distribution channel for precious jewellery, accounting for 75 percent of the total precious jewellery outlet.
- Hypermarkets, buying groups, antique dealers are providing increasing competition to the traditional independent specialist retailers.
- Department stores and catalogue showrooms become more significant retail outlets for low-priced precious jewellery, as stores continue to set up in-house units designed to sell accessories.

United Kingdom

- Specialist jewellers accounted for about 68 percent of precious metal jewellery sales in 1999, indicating an increase of 24 percent compared to 1995.
- Catalogue and showrooms suffered from the increasing trend towards upmarket designs and ambience.

- Department stores increased their sales by more than 20 percent compared to 1995.
- Mail order outlets experienced a slight fall in share, but in terms of value sales, increase by more than 10 percent since 1995 is recorded.
- Many retailers have a web-site and an increasing number are now offering an e-commerce facility.

France

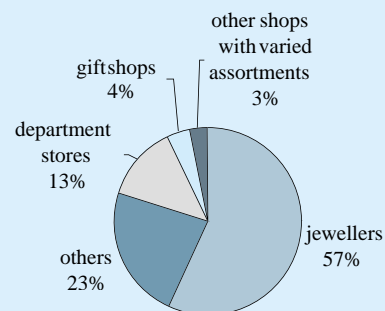
- Retailers accounted for 22 percent of the total jewellery market.
- About 34 percent of jewellery is sold by clock and watches jewellers.

The Netherlands

About 57 percent of the expenditures on gold and silver jewellery items, watches and clocks takes place at the jeweller's. Other sales channels are department stores, tax-free shops (Airport Schiphol), cash-and-carry wholesalers or direct sales by gold- and silversmiths.

In the larger cities, more and more jewellery shops are being established to serve the increasing population of foreign nationals, many of which tend to wear more and different jewellery than the Netherlands population.

Figure 7.2 Share of retail distribution channels in Netherlands precious jewellery sales, 2000 % of total



Source: HBD (2001)

The Siebel concern is the market leader in the jewellery trade in The Netherlands. The group comprises five segmented marketing formats, with a total of 134 outlets which meet the requirements of consumers at each level. The formats are: Schaap & Citroen, Siebel Juweliers, Lucardi Juweliers, Het Huis Juweliers, and Juwel Exchange.

Schaap & Citroen

One of the oldest and most famous jewellers in The Netherlands. Targets the top end of the market with the great world brands of watches and jewellery. Ten outlets are located in the major towns and cities, each with an average net sales area of 990 sq.ft.

Siebel Juweliers

Netherlands' best-known jeweller, a name familiar to generations of consumers. Targets the large middle segment of the market with a wide assortment of watches and jewellery. 43 outlets at prime locations. Average net sales area over 770 sq.ft.

Lucardi Juweliers

Successful format with inviting 'walk-in' outlets. Small assortment of watches and jewellery in the popular price categories. 74 outlets in the major towns and shopping centres. Average net sales area 880 sq.ft.

Het Huis Juweliers

Franchise format for independent jewellers outside the large urban areas. They enjoy all the advantages of collectivity while preserving their own identity and character. Targets the popular middle segment. Eight outlets averaging 990 sq.ft.

Juwel Exchange

Juwel Stores where consumers can offer their watches and jewellery for sale, with the advice and service of the professional jeweller. Format in development. Only outlet at present in Rotterdam. Articles are also for sale in the on-line shop www.jex.nl.

In the following table, you can find the type of Netherlands retailers and their number of branches.

Table 7.1 Type Netherlands retailers and their branches, 2000

	number of branches
Chain stores	
Luigi Lucardi	74
Siebel	43
Schaap & Citroen	10
Diamond Point	7
Total	134
Franchises	
Strego	11
Twinkle Juweliers	10
Het Huis Juweliers	8
Total	29

Source: HBD (2001)

The newcomers are "shop-in-shops" in the Bijenkorf department store, also called Diamond Point. This chain comprised 7 branches. With the expansion of Bijenkorf, the number of branches of Diamond Points is expected to grow. Furthermore, it has also been announced that Twinkle Juweliers will be merged with De Goudhoorn.

Despite the existence of these retail chains, collaboration between individual entrepreneurs is rare in this highly specialised market. Purchasing of jewellery normally takes place on the basis of one sample per product, which limits the advantages of collective purchasing.

7.2 Distribution channels for developing country exporters

Interviews with Netherlands' buyers and other people working in the branch have made it very clear that the market is highly competitive throughout the EU. Entry points/channels are very limited, and since the market is characterised as a buyer's market, proximity to the market is a prerequisite. Although the companies interviewed mentioned that trade fairs are a suitable entry point for gaining an impression of products and quality, most consider trade fair participation as a rather passive and inadequate strategy for raising real interest among buyers/importers, besides which it involves high costs for insurance. Therefore, new forms of partnerships (co-makership, subcontracting, joint ventures) should be considered by developing country producers/exporters in their market entry strategy. Although it will be very difficult to attract the interest of potential partners in the EU, buyers keep looking for an opportunity to add new products/styles to their collection, in order to find new niche markets. On the part of the developing country manufacturer, this requires thorough understanding of the EU markets, and state-of-the-art technical skills and equipment (especially with respect to the finishing of jewellery articles).

Developing countries may find more opportunities in the middle and lower segments of the market, in particular through retail, multiple specialists and catalogue showrooms (for contact details please refer to Appendix 9). Foreign nationals living in the various EU member states constitute a particular interesting market segment for producers in developing countries, as this group is strongly increasing and, in terms of taste and quality, generally favours jewellery products from their country/region of origin.

An interesting distributing channel for artisans from developing countries is the Virtual Exhibition Centre. This is a joint ITC UNCTAD/WTO - UNESCO project which aims at promoting the artisanal sector in the developing countries and economies in transition, with a special emphasis on the Least Developed Countries (LDCs). It proposes stands built around artisanal products, including jewellery. This product/manufacturer selection has been established in close collaboration with national trade promotion organisations, chambers of commerce and other business organisations, as well as non-profit organisations promoting trade.

8 PRICES AND MARGINS

8.1 Prices and margins

The prices of precious jewellery highly depend on the raw materials used, the target market segment, craftsmanship and design. Factors such as the prices of precious metals, diamonds and gems on the world market, the development of the world economy and the US\$ exchange rate have a large influence on trade and prices. In addition, consumers are willing to pay a price for the uniqueness of a jewellery item, as it is mostly valued for its artistic nature as well as for status.

gold

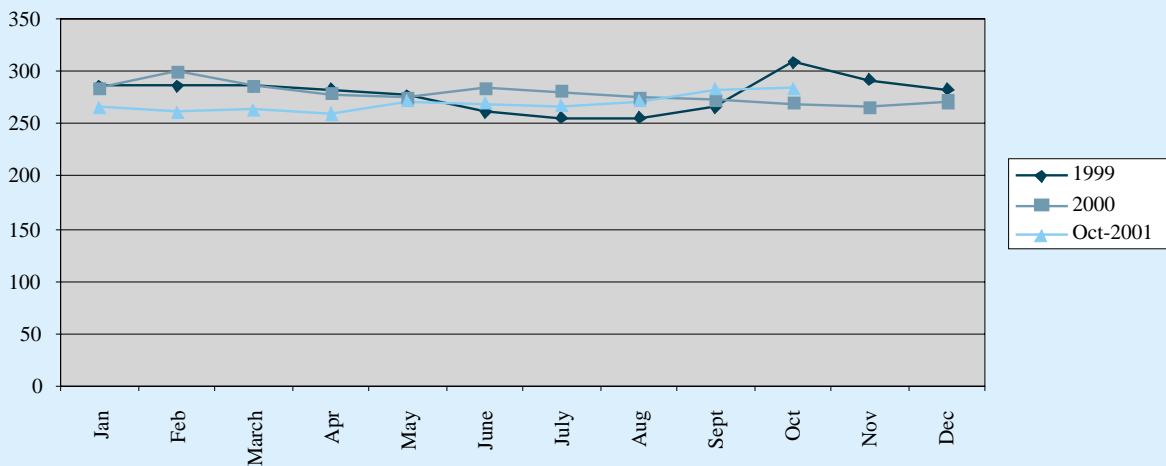
The following figures give an overview of the development of gold prices between 1999 and October 2001. These prices can only be considered as indications for prices of gold jewellery. As can be seen from figure 8.1, between 1999 and 2001, gold price fluctuated between US\$ 250 and US\$ 311. On the September 11th, 2001 the gold price moved higher in the wake of the terrorist attacks on New York and Washington, putting more pressure on the demand for gold. It is too early to be sure whether the crisis will result in sharply higher prices or, alternatively, a weaker situation than was the case prior to the outrage on 11th September. This uncertainty stems from the fact that

different and opposing forces may have been unleashed in the wake of the attack.

platinum

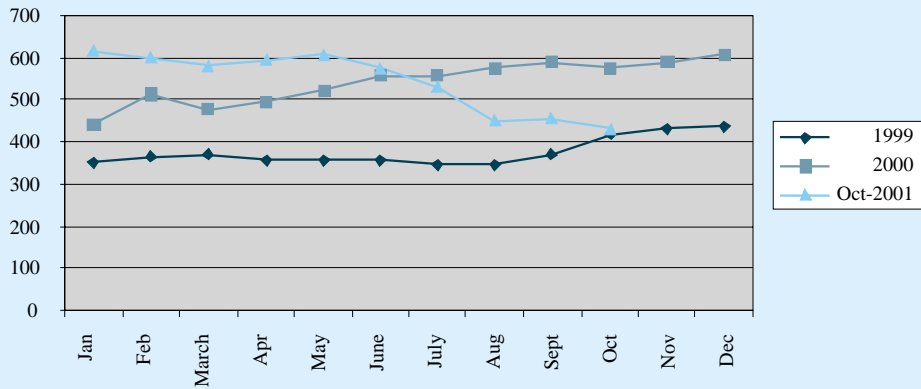
As shown in Figure 8.2, the platinum price has been on the increase since September 1999. Gold was the key factor behind platinum's strong performance, which was triggered on September 7th, 1999 by the IMF's decision to revalue its gold reserves. In late September, the platinum price increased further due to the announcement of an agreement by the 15 European central banks to limit sales from their gold reserves over the five-year period. In 2000, the price for platinum kept increasing due to the low supply from Russia together with the high demand from Japan. From May 2001, the price subsequently began to decline since there were rumours that modest amounts of Russian platinum were coming onto the market. The platinum price steadily stabilised at around US\$ 445 during the first week of September 2001, before increasing by US\$ 50 in mid September due to the terrorist attack on New York and Washington. It is still early to determine the impact of the attack on the price of platinum.

Figure 8.1 Prices of gold, London fix, 1999-Oct 2001
US\$ per ounce



Source: Kitco (2001)

Figure 8.2 Prices of platinum, London fix, 1999- October 2001
US\$ per ounce



Source: Kitco (2001)

silver

Between 1999 and October 2001, the silver price showed decreases amounting to US\$ 4.4 per ounce in October 2001. The 2000 price was accompanied by a sharp decline in volatility. By contrast, the trading range did manage to increase marginally year-on-year, recording a high of \$5.45 in February 2000 and a low of \$4.57 in December. The silver price softened throughout the year, largely because of continued Chinese selling and ongoing disinvestment, including fund long liquidation.

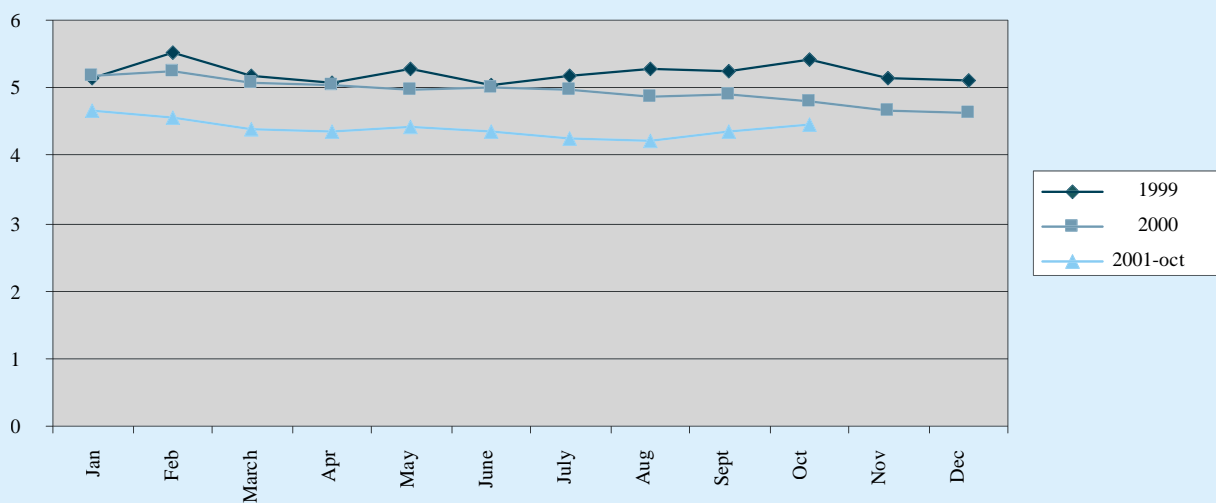
Silver prices remained under pressure for most of 2001, averaging \$4.40 per ounce. In spite of record levels of production demand, private disinvestment and official sector sales kept the price under pressure.

Margins

The margins for the different intermediaries in the trade structure are difficult to determine because they are influenced by many factors, such as:

- Quality of the product
- Length of the trade channel
- Added value
- Availability of the product
- Caratage
- Gram weight
- Design
- Craftsmanship

Figure 8.3 Prices of silver, London fix, 1999-Oct 2001
US\$ per ounce



Source: Kitco (2001)

In general, margins within the jewellery market are relatively high when compared with those of other consumer goods. Retailers operate with margins, which can be as high as 50 percent of the cost price although many will often discounts on quoted prices. The generally high margins of retailers can largely be explained by the value of the stock they have to carry and by the costs linked to selling such high-value items (insurance premiums, often expensive shop premises and fixtures and fittings).

8.2 Sources of price information

Good sources for price information are:

- Individual importers;
- Internet

Please refer to Appendix 10 for descriptions of the Internet-sites and also to Appendix 9 for contact details of major importers in the EU.

Useful Internet sites

World Gold Council	www.gold.org
Fidelitrade	www.fidelitrade.com/rpframe.asp
Kitco	www.kitco.com
Matthey	www.platinum.matthey.com/prices

9 OPPORTUNITIES FOR EXPORTERS

There are opportunities for precious jewellery producers in developing countries to increase their exports. Some countries, like Thailand and India, have been able to develop a particular segment of precious jewellery products and are now exporting large quantities in value terms. Foreign nationals living in the various EU member states constitute a particular interesting market segment for producers in developing countries, as this group is strongly increasing and, in terms of taste and quality, generally favours jewellery products from their country/region of origin.

Within the EU market, countries like Italy and Germany have a long-built tradition and infrastructure of high-quality precious jewellery making, involving high-skilled artisans and specialists who know the market inside out. EU consumers in general do not look for discounted, run-of-the mill products, but rather for one-of-a-kind, high-quality jewellery articles, involving a close client/maker relationship. Given the strength of gift and special occasion purchasing, specialists continue to have an advantage when it comes to expert advice, reliability and service.

The nature of jewellery is changing and the future is likely to see a bigger emphasis on service and quality, as an ageing population and improved standards of living contribute to a growing demand for higher-end products. As a result, intensified competition in the lower-price segments is anticipated. The unified EU market and production in Southeast Asia are expected to further intensify competition in the lower segments. Moreover, the practice of importers to assemble imported pieces into final products, and the increased subcontracting to manufacturers in the Far East will put even more pressure on EU manufacturers and prices.

Given the very particular and high demands of the EU consumers, developing countries may find more opportunities in the middle and lower segments of the market, in particular through retail chains, multiple specialists and catalogue showrooms. Foreign nationals living in the various EU member states constitute a particular interesting market segment for producers in developing countries, as this group is strongly increasing and, in terms of taste and quality, generally favours jewellery products from their country/region of origin.

Competitive advantages, such as the availability of (low-priced) raw materials and low labour costs are in the favour of developing countries, and so can be their unusual, culturally styled designs. At the other hand, the particularity of the demand will require producers in developing countries to link up with designers and purchasers in the market, so as to make optimal use of mutual competitive advantages. This may eventually boost some producers to the higher-end segments of the market.

Assessment of technical capacity with respect to the making and finishing of jewellery articles is essential, as this has often proven to be a bottleneck. When wanting to measure up to the strong competition at the international market, state-of-the-art technical skills and equipment are vital preconditions for success.

The key for exporters from developing countries aiming to enter the EU market is **specialisation**. Importers and retailers look for product innovations, in particular with respect to design, which will enable them to broaden their product range. Driving force in the precious jewellery market remains, however, immaculate finishing according to the specifications of the

Challenges for producers

Important weaknesses and threats precious jewellers are faced with:

- the high positioning in the consumer market, which makes them lose touch with the middle and lower segments of the market;
- the lack of collaboration, which keeps the branch from becoming more professional;
- growing competition from other sales channels, such as mail order companies, cash-and-carry wholesalers, tax free shops, and even new media such as Internet and CD-ROM's;
- the consumer trend to spend relatively more on other items, such as living and leisure, holidays and services.

Important strengths and opportunities offering prospects for precious jewellers:

- professional skills, specialisation and service, including the ability to repair;
- the rising number of elderly consumers and double income households with purchasing power, as well as the growing population of foreign nationals who spend more on jewellery;
- more collaboration with gold- and silversmiths to increase the availability of unique products.

importer/buyer. Quality standards in the EU are the highest in the world. Therefore, another key for exporters in developing countries that aim at the EU market is to develop **strategic alliances** with buyers in the EU in order to make sure that the right design and quality level is being supplied, according to changing market preferences.

The EU should be a source of supply for jewellery exports from developing countries. Forecasts suggest that the European economy would remain relatively robust with its population amounting to more than 375 million. But it should be noted that making initial contacts with European buyers are difficult, while jewellery exporters from developing countries aiming at the higher-end market will face head-on competition from Italy.

The European market is also heterogeneous. Different EU countries have different languages, cultures and historical backgrounds. Broadly speaking, exporters can divide Europe into two regional markets: the northern and southern regions. Their tastes and buying behaviour tend to be different. For example, southern Europeans are inclined to buy jewellery which looks impressive and pricey. On the other hand, northern Europeans are more restrained and austere in their attitude; their preferences are for smaller, less pretentious jewellery. They are generally more open to new designs and styles. To be successful, jewellery exporters from developing countries are required to understand the buying habits and consumer preferences for their particular products and their market positioning.

APPENDIX 1 DETAILED IMPORT/EXPORT STATISTICS

The trade figures in this chapter must be interpreted and used with extreme caution. Although figures for trade between the EU and the rest of the world are fairly accurately represented, trade within the EU is generally underestimated.

Another important factor which must be kept in mind, when interpreting the trade figures to follow, is that the official trade statistics make no distinction between lower and higher qualities in jewellery products. This means that the import figures of jewellery products in this chapter are substantially higher than the more strict precious jewellery consumption and production figures analysed in the previous chapters.

Some developing countries are among the leading supplying countries. For the sake of clarity, all developing countries included are printed in italics.

Imports of precious jewellery into the EU (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total	3,963,465	9,189	3,687,286	10,494	3,439,727	3,245,025	18,004
Extra-EU	2,367,542	2,520	2,106,689	3,110	1,924,070	1,815,160	6,506
Developing countries	893,858	2,120	801,162	2,353	907,186	855,836	3,360
Italy	976,409	3,589	987,082	6,353	914,731	862,954	10,152
<i>Thailand</i>	306,833	184	309,861	240	324,221	305,869	693
Switzerland	277,727	20	287,010	18	311,440	293,811	25
<i>India</i>	170,376	421	174,612	701	196,634	185,504	1,053
Hong Kong	260,360	101	304,845	88	192,194	181,315	133
<i>China</i>	123,242	609	139,542	609	186,012	175,483	805
<i>Turkey</i>	24,297	12	34,847	13	54,710	51,613	17
<i>Brunei</i>	392,484	0	185,834	0	39,381	37,152	0
<i>Mauritius</i>	20,482	6	24,769	29	28,958	27,319	17
<i>Malaysia</i>	22,972	0	13,653	15	18,556	17,506	40
<i>Vietnam</i>	9,602	0	13,719	2	16,879	15,924	2

Source: Eurostat (2000)

Imports of precious jewellery into the UK (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total	1,803,044	4,045	1,428,812	1,672	1,137,299	1,072,924	1,797
Extra-EU	1,386,359	610	1,098,464	1,055	785,349	740,895	1,293
Developing countries	359,902	431	252,516	755	274,092	258,577	1,071
Italy	224,506	1,052	201,554	391	206,961	195,246	367
<i>India</i>	117,903	142	120,333	329	123,666	116,666	590
United Arab Emirates	104,325	19	115,893	91	116,780	110,170	39
Switzerland	154,057	7	135,794	7	112,400	106,038	5
Hong Kong	172,545	13	229,438	24	108,188	102,064	31
<i>Thailand</i>	53,545	56	60,321	97	66,461	62,699	74
<i>China</i>	11,914	53	29,940	145	42,822	40,398	215
<i>Brunei</i>	390,826	0	185,833	0	39,381	37,152	0
<i>Israel</i>	18,208	10	21,549	2	21,280	20,075	5
<i>Malaysia</i>	15,132	0	6,087	14	8,974	8,466	40

	1997		1998		1999		volume
	value US\$	volume	value US\$	volume	value US\$	value €	
<i>Oman</i>	18,733	0	2,188	0	3,793	3,578	7
<i>South Korea</i>	896	10	1,700	15	3,545	3,344	15
<i>Mexico</i>	2,404	7	3,431	13	3,238	3,055	6
<i>Turkey</i>	1,276	0	2,519	0	2,827	2,667	5
<i>Pakistan</i>	3,460	128	3,544	116	2,770	2,613	75
<i>South Africa</i>	2,070	5	2,411	3	2,607	2,459	9
<i>Bahrain</i>	4,569	1	1,194	0	2,259	2,131	0
<i>Brazil</i>	2,339	11	1,542	11	1,632	1,540	21

Source: Eurostat (2000)

Imports of precious jewellery into GERMANY (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		volume
	value US\$	volume	value US\$	volume	value US\$	value €	
Total	646,685	659	643,573	638	636,833	600,786	820
Extra-EU	410,913	556	399,672	527	455,493	429,710	722
Developing countries	243,092	481	240,626	466	289,721	273,322	637
<i>Italy</i>	199,325	63	197,313	73	149,666	141,194	70
<i>Thailand</i>	123,685	65	121,600	65	118,917	112,186	79
<i>China</i>	48,775	204	44,789	181	74,909	70,669	259
<i>Switzerland</i>	31,300	6	41,586	5	59,152	55,804	6
<i>India</i>	27,267	51	24,553	37	33,422	31,530	53
<i>Turkey</i>	15,491	4	19,924	5	31,292	29,521	7
<i>Indonesia</i>	6,360	11	6,648	7	4,351	4,105	4
<i>Mexico</i>	4,212	24	4,228	10	4,147	3,912	8
<i>Mauritius</i>	2,149	2	2,514	2	2,466	2,326	2
<i>South Korea</i>	403	2	852	1	2,451	2,312	0
<i>Brazil</i>	1,793	86	1,667	120	2,326	2,194	188
<i>Bahrain</i>	405	0	1,508	0	1,773	1,673	0
<i>Sri Lanka</i>	1,957	0	2,068	0	1,578	1,489	0

Source: Eurostat (2000)

Imports of precious jewellery into FRANCE (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		value US\$	1999	
	value US\$	volume	value US\$	volume		value €	volume
Total	455,082	621	525,066	541	578,874	546,108	991
Extra-EU	213,546	377	248,650	292	286,699	270,471	221
Developing countries	129,714	338	147,573	263	156,303	147,456	199
Italy	180,793	168	199,532	108	210,656	198,732	637
Switzerland	37,363	1	50,874	2	72,202	68,115	7
<i>Thailand</i>	52,867	24	56,177	21	59,034	55,692	32
<i>China</i>	38,081	118	44,027	69	38,692	36,502	48
Spain	21,225	22	31,160	60	30,003	28,305	32
<i>Mauritius</i>	17,757	4	21,954	27	25,546	24,100	5
<i>Vietnam</i>	8,864	0	12,601	1	15,400	14,528	2
<i>India</i>	3,211	27	3,544	12	5,242	4,945	33
<i>Turkey</i>	1,510	3	2,691	2	4,044	3,815	2
<i>Tunisia</i>	10	0	10	0	1,614	1,523	4
<i>Jordan</i>	1	0	0	0	1,583	1,493	0
<i>Lebanon</i>	731	2	1,447	1	1,080	1,019	1

Source: Eurostat (2000)

Imports of precious jewellery into ITALY (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		value US\$	1999	
	value US\$	volume	value US\$	volume		value €	volume
Total	194,742	437	222,369	499	232,992	219,804	686
Extra-EU	133,104	397	150,463	448	160,916	151,808	642
Developing countries	43,381	379	49,803	428	62,473	58,937	610
Switzerland	33,166	5	37,964	2	44,410	41,896	5
USA	28,340	6	27,013	7	24,617	23,224	8
France	14,401	5	19,644	6	24,297	22,922	5
United Kingdom	24,394	27	23,204	20	22,661	21,378	25
Thailand	12,501	1	14,993	2	18,713	17,654	6
<i>India</i>	3,667	148	7,049	264	10,579	9,980	338
<i>Turkey</i>	1,685	3	2,998	2	10,002	9,436	2
<i>China</i>	7,197	128	7,045	116	7,354	6,938	163
<i>Bolivia</i>	5,152	0	5,710	0	2,399	2,263	0
<i>Bahrain</i>	229	0	100	0	1,670	1,575	0
<i>Lebanon</i>	937	0	1,242	0	1,305	1,231	0
<i>Indonesia</i>	1,901	1	1,783	3	1,284	1,211	1
<i>South Africa</i>	4,131	5	3,344	0	1,177	1,110	1
<i>Brazil</i>	615	61	823	30	1,166	1,100	48

Source: Eurostat (2000)

Imports of precious jewellery into THE NETHERLANDS (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		volume
	value US\$	volume	value US\$	volume	value US\$	value €	
Total	107,444	99	98,362	95	115,135	108,618	174
Extra-EU	40,123	52	36,527	43	56,451	53,256	75
Developing countries	15,731	30	15,755	26	20,724	19,551	34
Hong Kong	9,954	14	8,548	9	23,202	21,889	30
Italy	29,672	13	23,484	13	21,782	20,549	30
Germany	19,575	15	22,102	16	21,121	19,925	43
<i>Thailand</i>	8,447	7	7,273	8	8,041	7,586	11
France	5,647	3	4,260	3	5,144	4,853	8
<i>China</i>	827	6	1,562	4	4,860	4,585	7
<i>India</i>	3,763	13	3,468	9	4,100	3,868	4
<i>Turkey</i>	832	1	869	0	1,450	1,368	0
<i>Indonesia</i>	954	1	861	1	1,154	1,089	7
<i>Mexico</i>	420	1	636	4	374	353	1
<i>Lebanon</i>	231	0	661	0	258	243	0

Source: Eurostat (2000)

Imports of articles of jewellery and parts thereof, of precious metal or of metal clad with precious metal into the EU (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		volume
	value US\$	volume	value US\$	volume	value US\$	value €	
Total	3,661,328	4,193	3,431,281	8,155	3,213,258	3,031,375	11,881
Extra-EU	2,191,052	626	1,966,720	1,387	1,800,676	1,698,751	1,874
Developing countries	833,334	490	751,987	856	852,767	804,497	1,644
Italy	928,868	3,081	938,305	6,033	869,389	820,178	8,973
<i>Thailand</i>	297,276	171	300,327	226	315,275	297,429	681
Switzerland	266,292	12	274,444	9	298,071	281,199	17
<i>India</i>	163,551	160	166,310	320	186,458	175,904	621
Hong Kong	235,196	14	286,560	30	178,929	168,801	48
<i>China</i>	96,500	36	120,130	128	165,142	155,794	155
<i>Turkey</i>	22,428	6	32,472	4	52,889	49,895	10
<i>Brunei</i>	378,678	0	180,116	0	37,675	35,542	0

Source: Eurostat (2000)

Imports of articles of goldsmiths' or silversmiths' wares and parts thereof, of precious metal or of metal clad with precious metal into the EU (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total	161,564	1,338	143,951	1,140	132,508	125,008	2,300
Extra-EU	65,010	553	55,772	621	51,131	48,237	832
Developing countries	16,089	408	14,922	481	17,182	16,209	674
Italy	45,957	498	45,155	292	41,414	39,070	1,176
Germany	12,428	41	11,353	30	11,084	10,457	40
Switzerland	4,870	5	5,905	5	9,729	9,178	7
United Kingdom	19,696	151	10,466	55	9,711	9,161	64
USA	9,593	82	11,241	84	6,800	6,415	85
<i>India</i>	3,999	197	4,851	322	5,169	4,876	365
<i>Thailand</i>	1,894	2	2,595	5	2,420	2,283	2
<i>China</i>	1,605	155	1,445	135	2,191	2,067	280
<i>Turkey</i>	1,852	6	2,351	9	1,821	1,718	7
<i>Brunei</i>	12,654	0	5,532	0	1,707	1,610	0
<i>Bahrain</i>	314	0	192	0	1,250	1,179	0
<i>Tunisia</i>	62	8	10	0	1,034	975	2

Source: Eurostat (2000)

Imports of articles of natural or cultured pearls, precious or semi-precious stones into the EU (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total	140,573	3,658	112,054	1,199	93,961	88,642	3,823
Extra-EU	111,480	1,341	84,197	1,102	72,262	68,172	3,800
Developing countries	44,435	1,222	34,253	1,016	37,238	35,130	1,042
<i>China</i>	25,138	418	17,967	346	18,679	17,622	370
Japan	22,689	3	12,751	0	9,756	9,204	0
Hong Kong	18,825	70	11,870	53	9,575	9,033	71
USA	8,562	15	8,137	13	8,864	8,362	2,671
Germany	9,524	13	6,649	4	6,766	6,383	9
<i>Thailand</i>	7,664	11	6,940	9	6,526	6,157	10
<i>India</i>	2,826	64	3,452	59	5,007	4,724	67
<i>Brazil</i>	2,885	257	2,540	242	2,532	2,389	322
<i>South Korea</i>	541	8	551	5	1,525	1,439	21
<i>Mauritius</i>	121	0	1	0	762	719	0

Source: Eurostat (2000)

EXPORTS

EU exports of precious jewellery (value in US\$ thousand, volume in tonnes), 1997-1999

	1997		1998		1999		
	value US\$	volume	value US\$	volume	value US\$	value €	volume
Total	7,568,882	4,334	7,122,627	5,644	7,091,290	6,689,896	5,893
Extra-EU	5,675,993	1,599	5,237,869	2,108	5,212,191	4,917,161	2,169
USA	1,516,387	482	1,574,139	547	1,919,029	1,810,405	618
Switzerland	696,308	71	720,806	63	692,490	653,292	155
United Arab Emirates	403,801	72	397,288	236	380,180	358,660	201
France	375,185	631	363,038	460	378,098	356,696	361
United Kingdom	301,969	86	308,660	191	309,575	292,052	253
Hong Kong	399,679	30	388,440	58	298,036	281,166	52
Germany	328,428	224	289,323	150	284,878	268,753	1,027
<i>Panama</i>	345,087	9	361,665	73	265,346	250,326	37
Japan	250,542	59	215,938	42	251,216	236,996	162
Spain	186,270	200	204,267	166	203,127	191,629	180
<i>Neth. Antilles</i>	109,803	5	112,474	2	133,491	125,935	7
The Netherlands	114,561	312	125,769	554	126,163	119,022	143
Portugal	92,564	126	101,237	213	111,314	105,013	153
<i>China</i>	38,327	1	95,250	0	104,323	98,418	3
Belgium	0	0	0	0	101,491	95,746	104

Source: Eurostat (2000)

APPENDIX 2 STANDARDS ORGANISATIONS

EUROPEAN UNION

British Hallmarking Council

Address: P.O. Box 18133, London EC2V 8JY,
United Kingdom
Internet: [www.warrington.gov.uk/tradingstandards/
guidance_CTHL.htm](http://www.warrington.gov.uk/tradingstandards/guidance_CTHL.htm)

Hallmarking Convention's Secretariat

Address: 9-11 Rue de Varembe, 211 Geneva,
Switzerland
Telephone: +41 (0)22 7491324
Fax: +41 (0)22 7491324

THE NETHERLANDS

Goldsite

Address: Postbus 5239, 2000 CE Haarlem,
The Netherlands
Telephone: +31 (0)23 5360710
E-mail: wjanus@goldsite.nl
Internet: www.goldsite.nl

Waarborg Platina, Goud en Zilver N.V. (Assay Office for Platinum, Gold and Silver)

Information on hallmarking and distribution
Address: P.O. Box 1075, 2800 BB Gouda,
The Netherlands
Telephone: +31 (0)182 589300
Fax: +31 (0)182 526876
E-mail: info@waarborg.nl
Internet: www.waarborg.nl

PORTUGAL

Imprensa Nacional Casa da Moeda S.A.

Address: Avenida Antonio de José de Almeida, Edifício
Casa da Moeda, 1000 -042 Lisbon, Portugal
Telephone: +351 (0)217 810700
E-mail: info@incm.pt
Internet: www.incm.pt

SWEDEN

SP Adelmetallkontrollen

national testing and research institute
Address: P.O. Box 857, 50115 Borås, Sweden
Telephone: +46 (0)33 165000
Fax: +46 (0)70 135502
Internet: www.sp.se

UNITED KINGDOM

The London Assay Office

Address: Goldsmith's Hall, Gutterlane Hall,
EC2V8AQ London, United Kingdom
Telephone: +44 (0)171 6068971
Fax: +44 (0)171 6061511
Internet: www.teg.co.uk/assay/assay.htm

British Horological Institute

Address: Upton Hall, Upton Newark, Notts NG23 5TE,
United Kingdom
Telephone: +44 (0)1636 813795
Fax: +44 (0)1636 812258
E-mail: info@bhi.co.uk
Internet: www.bhi.co.uk/hints/hmarks.htm

Amulet Ringmaker

Address: West Wellow, Hampshire, SO51 6BY,
United Kingdom
Telephone: +44 (0)1794 3221818
E-mail: ringmaker@tcp.co.uk
Internet: www.amulet.co.uk/ringmaker

Antiques

provided with many links to usefull internet sites
Internet: www.antiques-uk.co.uk

The Goldsmiths' Company

Address: Goldsmiths' Hall, Foster Lane, London,
EC2V 6BN, United Kingdom
Telephone: +44 (0)20 7606 7010
Fax: +44 (0)20 7606 1511
Internet: www.thegoldsmiths.co.uk

APPENDIX 3 TRADE ASSOCIATIONS

EUROPEAN UNION

CIBJO

international jewellery confederation of national trade organisations. Purpose is to encourage harmonisation and promote international co-operation in the jewellery industry. On this Internet-site also a complete membership list of countries can be found.

Internet: www.cibjo.org

BELGIUM

European Jewellers Association Group

Belgian Committee of Jewellers, Clockmakers, Gold- and Silversmiths

Address: E-Jag- Avenue de Broqueville 12B,
1150 Bruxelles, Belgium

Telephone: +32 (0)2 7756311

Fax: +32 (0)2 7790523

Internet: www.bjo-france.com

GERMANY

Vereinigung der Bundesverbände des Deutschen Schmuck und Silberwarengewerbes

German Federal Association of Jewellery and Silverware Industry

Address: Industriehaus, Poststrasse 1, 75172 Pforzheim,
Germany

Telephone: +49 (0)7231 33041

Fax: +49 (0)7231 355887

E-mail: info@bv-juweliere.de

Internet: www.bv-juweliere.de/ueberuns2.htm

FRANCE

Conseil Interfédéral de la Bijouterie, Horlogerie, Joaillerie, Orfèvrerie

Federation of Jewellery, Watches and Clocks, Silver-, Goldsmith's trade

Address: 58 Rue du Louvre, 75002 Paris, France

Telephone: +33 (0)1 40269800

Fax: +33 (0)1 40262951

Internet: www.cibjo.org

ITALY

Confederafi

Italian Federation of Jewellery and Silverware Industry

Address: Viale Trastevere n.108, 00153 Roma, Italy

Telephone: +39 (0)6 5813613

Fax: +39 (0)6 5814523

E-mail: confedorafi.roma@confedorafi.com

THE NETHERLANDS

Federatie Goud en Zilver (Federation for Gold, Silver, Clocks and Gemstones)

Address: P.O. Box 904, 2270 AX Voorburg,
The Netherlands

Telephone: +31 (0)70 3867777

Fax: +31 (0)70 3871047

E-mail: sierinfo@xs4all.nl

Internet: www.federatiegoudzilver.nl

Nederlandse Juweliers- en Uurwerkenbranche, NJU c/o Federatie Goud en Zilver

The Netherlands' Jewellers and Timepieces Branch c/o Federation Gold and Silver

Address: Secretariaat, Konigin Julianalaan 345,
2273 JJ Voorburg, The Netherlands

Telephone: +31 (0)70 386 6248

Fax: +31 (0)70 386 9441

E-mail: nju@wxs.nl

Internet: www.fed-klokkenvrienden.org/nju.htm

Nederlandse Juweliersclub, NJC

The Netherlands' Jewellers Club

Address: Generaal Foulkesweg 61a,
6703 BM Wageningen, The Netherlands

Telephone: +31 (0)317 413973

Fax: +31 (0)317 421050

E-mail: obw@diva.nl

Vereniging Orde van Beëdigde Taxateurs Goud- en Zilverwerken

Order of Sworn Assessors of Gold- and Silverware

Address: P.O.Box 2508, 1000 CM Amsterdam,
The Netherlands

Telephone: +31 (0)20 4313305

Fax: +31 (0)20 4313120

E-mail: federatie.tmv@bdn.nl

Internet: www.federatie-tmv.nl/

UNITED KINGDOM

National Association of Goldsmiths of UK and Ireland

Address: 78A Luke Street, EC2A 4XG London,
United Kingdom

Telephone: +44 (0)20 7613 4445

Fax: +44 (0)20 7613 4450

E-mail: nag@jewellersuk.com

Internet: www.progold.net

Jewellery Industry Consortium Ltd. 39

Address: 10 Vyse Street, B18 6LT Birmingham,
United Kingdom

Telephone: +44 (0)121 554 9297

Fax: +44 (0)121 693 9297

Internet: www.consortium-jewellery.co.uk

Jewellery and giftware traders in the UK

Internet: www.teg.co.uk

Jewellery Distributors' Association

A non-profit-making trade body, within the British Jewellery & Giftware Federation, supporting the activities of those who wholesale, distribute, import and export precious and fashion jewellery and other items to the Jewellery and Allied Trade.

Address: Federation House, 10 Vyse Street,
B18 4BR Birmingham, United Kingdom

Telephone: +44 (0)121 236 2657

Fax: +44 (0)121 236 3921

E-mail: secretariat@jda.org.uk

Internet: www.jda.org.uk

Antique

Uk dealers in antique

Internet: www.badaaba.com

APPENDIX 4 TRADE FAIR ORGANISERS

Messe Basel

(European Watch, Clock and Jewellery Fair)

Basel

Information: Messe Basel, P.O. Box 4021, CH Basel 11,
Switzerland

Telephone: +41 (0)61 6862260

Fax: +41 (0)61 6862189/94

E-mail: srouden@messebasel.ch

Internet: www.messebasel.ch

E-mail: messe@messebasel.ch

Bijorhca

(International Jewellery, Gold and Silverware, Clocks,
Gifts and Tableware Exhibition)

Paris

Information: Bijorhca - 70, rue Rivay,
92532 Levallois Perret cedex, France

Telephone: 33 1 47565000

Fax: 33 1 47561440

Address NL: P.O. Box 200, 3600 AE Maarssen,
The Netherlands

Telephone NL: +31 (0)346 559444

Fax NL: +31 (0)346 573811

E-mail NL: exponl@ibm.net

Internet: www.bijorhca.com

Birmingham Spring/ Autumn Fair

(Gift Trade)

Information: Trade Promotion Services, Exhibition House,
6 Warren Lane, Woolwach London, SE18 6BW
United Kingdom

Telephone: +44 (0)181 8559201

Telefax: +44 (0)181 3165719

E-mail: info@tps.emap.co.uk

Internet: www.springfair.com
www.gift-gardenmart.com

IFEMA, Feria de Madrid

Madrid

Information: Exhibition Centre, Parque Ferial Juan Carlos
1, 28042 Madrid, Spain

Telephone: +34 (0)91 7225022

Fax: +34 (0)91 7225792

E-mail: iberjoya@ifema.es

Internet: www.iberjoya.ifema.es

Inhorgenta

(International Trade Fair for Watches and Clocks, Jewellery,
Precious Stones, Pearls and Silverware)

München

Information: Münchener Messe- und
Ausstellungsgesellschaft mbH,
P.O. Box 81823 (or 121009),
D-80325 München, Germany

Telephone: +49 (0)89 949 11398

Fax: +49 (0)89 949 11399

E-Mail: info@inhorgenta.de

Internet: www.inhorgenta.de

International Jewellery London Trade Fair

London

Information: Reed Exhibition Company Ltd.,
Oriel House 26 The Quadrant, Richmond,
Surrey, TW9 1DL United Kingdom

Address: Exhibition Centre Earls Court 2,
Warwick Road, London SW 5,
United Kingdom

Telephone: +44 (0)20 8910 7914

Fax: +44 (0)20 8910 7930

E-mail: shereen.murray@reedexpo.co.uk

Internet: www.jewellerylondon.com
Reed Exhibition Companies Ltd

Macef Primavera/ Autunno Milano

(International Trade Fair for Crystal, Ceramics, Silverware,
Jewellery, Precious stones, Watches and Clocks)

Milan

Information: Fiera Milano, Largo Domodossola 1,
20145 Milano, Italy

Telephone: +39 (0)2 485501

Fax: +39 (0)2 4800 4423

E-mail: macef@fmi.it

Internet: www.fmi.it/macef

Portojóia

Porto

Information: Exponor, 4450 Leça de Palmeira, Porto,
Portugal

Telephone: +351 (0)229 981400

Fax: +351 (0)229 957499

E-mail: info@exponor.pt

Internet: www.portojoia.exponor.pt

Vicenza Oro

(Watches Trade Fair Venice)

Vicenza

Information: Ente Fiera di Vicenza, Via dell' Oreficeria 16,
36100 Vicenza, Italy

Telephone: +39 (0)444 969111

Fax: +39 (0)444 563954

E-mail: vicenzafiera@vicenzafiera.it

Internet: www.vicenzafiera.it

APPENDIX 5 TRADE PRESS

Edelmetaal

(in Dutch)

Publisher: Federatie Goud en Zilver, Voorburg
Address: P.O. Box 904, 2270 AX Voorburg,
The Netherlands
Telephone: +31 (0)70 3867777
Fax: +31 (0)70 3867777
E-mail: sierinfo@xs4all.nl
Internet: www.federatiegoudzilver.nl

Euro Juwelier

(in Dutch)

Publisher: Wegener NV
Address: P.O. Box 26, 7300 HB Apeldoorn,
The Netherlands
Telephone: +31 055-538 8888/ 8652
Fax: +31 055-538 85 00/ 8666
E-mail: r.broekhuis@wegener.n
Internet: www.wegener.nl

Gold & Silber und Uhren & Schmuck

(in German)

Address: Ebner Verlag Vertriebservice, Heuriedweg 19,
88131 Lindau, Germany
Telephone: +49 (0)8382 / 963114
Fax: +49 (0)8382 / 78091
Internet: www.ebnerverlag.de

GZ Goldschmiedezeitung

(in German)

Address: P.O. Box 700450, D-70574 Stuttgart,
Germany
Telephone: +49 (0)711 976670
Fax: +49 (0)711 9766749
E-mail: info@gz-journal.de
Internet: www.gz-journal.de

Jewellery

(in English, also in Spanish)

Publisher: Miller Freeman S.A.
Address: 25 Route des Acacias, P.O. Box 30,
CH-1211 Geneva 24, Switzerland
Telephone: +41 (0)22 3077837
Fax: +41 (0)22 3003748
E-mail: info@europastar.com
ssamuelsson@europastar.com
Internet: www.europastar.com/internationaljeweler/

Jewels & Watches

(in English)

Publisher: Quality Publishing BV
Address: P.O. Box 4323, 3006 AH Rotterdam,
The Netherlands
Telephone: +31 (0)10 4524445
Fax: +31 (0)10 4531562
E-mail: info@jewels-watches.nl
Internet: www.jewels-and-watches.com

Uhren, Juwelen und Schmuck

(in German)

Address: Bielefelder Verlagsanstalt,
Ravensberger Str. 10F, D-33602 Bielefeld,
Germany
Telephone: +49 (0)521 595533
Fax: +49 (0)521 595556
E-mail: zeitschriften@bvaj-bielefeld.de
Internet: www.bva-bielefeld.de/zeit/uj

APPENDIX 6 TRADE PROMOTION ORGANISATIONS

INTERNATIONAL

International Trade Centre (ITC)

Address: Palais des Nations, P. O. Box 10,
1211 Geneva 10, Switzerland
Telephone: +41 (0)22 7300111
Fax: +41 (0)22 7334439
E-mail: itcreg@intracen.org
Internet: www.intracen.org

AUSTRIA

Austrian Federal Economic Chamber

Address: P.O. Box 150, A-1045 Vienna, Austria
Telephone: +43 (0)1 501050
Fax: +43 (0)1 50105-150
E-mail: aw-online@aw.wk.or.at
Internet: www.wk.or.at/aw/aw_intl/index.htm

DENMARK

DIPO, Danish Import Promotion Office for Products from Developing Countries

Address: Danish Chamber of Commerce, Børsen,
1217 Copenhagen K, Denmark
Telephone: +45 (0)33 950541
Fax: +45 (0)33 120525
E-mail: dipo@commerce.dk
Internet: www.dipo.dk

Germany

BfAI, Federal Office of Foreign Trade Information

Address: Agrippastrasse 87-93, P. O. Box 100522,
50455 Cologne, Germany
Telephone: +49 (0)221 2057-0
Fax: +49 (0)221 2057-212
E-mail: bus.contacts@bfai.com
Internet: www.bfai.com

ITALY

ICE, National Institute for Foreign Trade

Address: Via Liszt 21, P.O. Box 10057, 00144 Rome,
Italy
Telephone: +39 (0)06 59921
Fax: +39 (0)06 5964 7438
E-mail: ice@ice.it
Internet: www.ice.it

THE NETHERLANDS

CBI, Centre for the Promotion of Imports from developing countries

Address: P. O. Box 30009, 3001 DA Rotterdam,
The Netherlands
Telephone: +31 (0)10 2013434
Fax: +31 (0)10 4114081
E-mail: cbi@cbi.nl
Internet: www.cbi.nl

NORWAY

Norad, Norwegian Agency for Development Co-operation

Address: Ruseløkkveien 26, P. O. Box 8034 Dep.,
0030 Oslo, Norway
Telephone: +41 (0)22 314400
Fax: +41 (0)22 314403
Internet: www.norad.no

SWEDEN

SIDA, Swedish International Development Co-operation Agency -Department for Infrastructure & Economic Co-operation

Address: Sveavägen 20, S-105 25 Stockholm, Sweden
Telephone: +46 (0)8 6985000
Fax: +46 (0)8 6208864
E-mail: sida@sida.org.se
Internet: www.sida.se

SWITZERLAND

SIPPO, Swiss Import Promotion Programme

Address: Avenue de l'Avant-Poste 4,
CH-1001 Lausanne, Switzerland
Telephone: +41 (0)21 320 32 31
Fax: +41 (0)21 320 73 37
E-mail: info@sippo.ch
Internet: www.sippo.ch

APPENDIX 7 OTHER USEFUL ADDRESS

INTERNATIONAL

International Chamber of Commerce

Address: 38, Cours Albert 1er, 75008 Paris, France
Telephone: +33 (0)1 49532828
Fax: +33 (0)1 49532942
Email: icc@iccwbo.org
Internet: www.iccwbo.org

Bundesverband des Schmuckgrosshandels

Address: Höslinstr. 8, 72587 Römerstein, Germany
Telephone: +49 (0)73 825366
Fax: +49 (0)73 825366

Bureau for official EU publications

Address: Directorate General for External Relations,
200, Rue de la Loi, 1049 Brussels, Belgium
Telephone: +32 (0)2 2991111
Fax: +32 (0)2 2969931
Internet: europe.eu.int

Europa Star

Publisher of jewellery magazines in different languages. It offers comprehensive information about trends in jewellery and watches, of which some is published on the website.
Internet: www.europastar.com/internationaljeweller

Jewellers.net

Jeweller.net advertises a collection of body jewellery on the Internet. Customers can buy directly on the online shopping place.
Internet: www.jewellers.net

Global Jewellery

Advertiser of various kinds of jewellery items. It offers an on-line shopping place for customers. .
Address: 1656 Broughton Ct, GA 30338 Dunwoody,
United Kingdom
Telephone: (toll free) +31 888.396.3534
E-mail: sales@globaljewelry.com
Internet: www.globaljewellery.com

GTZ German Agency for Technical Cooperation

Address: Dag-Hammarskjöld-weg 1-5, P. O. Box 5180,
65726 Eschborn, Germany
Telephone: +49 (0)6196 790000
Fax: +49 (0)6196 797414
Email: postmaster@gtz.de
Internet: www.gtz.de

AccessGuide

CBI's database on European non-tariff trade barriers
Address: P.O. Box 30009, 3001 DA Rotterdam,
The Netherlands
Telephone: +31 (0)10 2013434
Fax: +31 (0)10 4114081
Email: cbi@accessguide.nl
Internet: www.cbi.nl/accessguide

Platinum Guild International

Internet: www.preciousplatinum.com

Platinum Guild International -Germany

Address: P.O. Box 1866, 61408 Uberursel, Germany
Telephone: +49 (0)6171 51002
Fax: +49 (0)6171 53850
E-mail: info@platin-gilde.de
Internet: www.preciousplatinum.com

Platinum Guild International -United Kingdom

Address: Suite One Point Three, Buckingham Court,
78 Buckingham Gate, London SW1 V6PE,
United Kingdom
Telephone: +44 (0)20 7226214
Fax: +44 (0)20 7226215
Internet: www.theplatinumcollection.co.uk/

Platinum Guild International -Italy

Address: Largo Tocanini 1, 20122 Milan, Italy
Telephone: +39 (0)2 781945
Fax: +39 (0)2 782001
E-mail: pgiita@tin.it
Internet: www.myplatinum.it

Stichting Juweliers Belangen

(Foundation serving Jeweller's interests)
Address: Epe, The Netherlands
Telephone: +31 (0)578 621600

Vakschool voor edelsmeden en fijne techniek

Vocational Schools for workers in jewellery
Address: Mr. Kesperstraat 10, 2871 GS Schoonhoven,
The Netherlands
Telephone: +31 (0)182 383944
Fax: +31 (0)182 383047

Address: R.O.C., P.O. Box 1057 DT Amsterdam,
The Netherlands
Telephone: +31 (0)20 618 12 85
Fax: +31 (0)20 68 32 007
E-mail: amsterdam@de-vakschool.nl

Escuela Internacional de Joyería, Gemología y Tàsaciones

Address: C/ La Palma, 50, 28015 Madrid, Spain
Telephone: +34 915 32 52 98
Fax: +34 915 32 90 48
E-mail: info@escuelajoyeria.com
Internet: www.escuelajoyeria.com

World Gold Council France

Address: 1 Ave. Bertie-Albrecht, 75008 Paris, France
Telephone: +33 (0)1 49530460
Fax: +33 (0)1 49530467
Internet: www.gold.org

World Gold Council Germany

Address: Tal 48, 80331 Munick, Germany
Telephone: +49 (0)89 23034112
Fax: +49 (0)89 23034157
Internet: www.gold.org

World Gold Council Italy

Address: Corso Garibaldi 49, 1-20121 Milano, Italy
Telephone: +39 (0)2 809841
Fax: +39 (0)2 8900488
Internet: www.gold.org

World Gold Council United Kingdom

Address: Kings House, 10 Haymarket,
SW1Y 4BP London, United Kingdom
Telephone: +44 (0)20 7930 5171
Fax: +44 (0)20 7839 6561/4314
E-mail: inof@gold.org
Internet: www.gold.org

APPENDIX 8 LIST OF DEVELOPING COUNTRIES

Please note that the OECD list of developing countries, as applied in this market survey, may include countries that are usually not considered as developing countries (e.g. South Korea).

Afghanistan	Guatemala	Pakistan
Albania	Guinea	Palau Islands
Algeria	Guinea-Bissau	Palestinian Admin. Areas
Angola	Guyana	Panama
Anguilla	Haiti	Papua New Guinea
Antigua and Barbuda	Honduras	Paraguay
Argentina	India	Peru
Armenia	Indonesia	Philippines
Aruba	Iran	Rwanda
Azerbaijan	Iraq	São Tomé & Príncipe
Bahrain	Jamaica	Saudi Arabia
Bangladesh	Jordan	Senegal
Barbados	Kazakstan	Seychelles
Belize	Kenya	Sierra Leone
Benin	Kiribati	Slovenia
Bhutan	Korea, Rep. of	Solomon Islands
Bolivia	Korea, South	Somalia
Bosnia & Herzegovina	Kyrgyz Rep.	South Africa
Botswana	Laos	Sri Lanka
Brazil	Lebanon	St. Helena
Burkina Faso	Lesotho	St. Kitts-Nevis
Burundi	Liberia	St. Lucia
Cambodia	Libya	St. Vincent and Grenadines
Cameroon	Macao	Sudan
Cape Verde	Macedonia	Surinam
Central African rep.	Madagascar	Swaziland
Chad	Malawi	Syria
Chile	Malaysia	Tajikistan
China	Maldives	Tanzania
Colombia	Mali	Thailand
Comoros	Malta	Timor
Congo	Marshall Islands	Togo
Cook Islands	Mauritania	Tokelau
Costa Rica	Mauritius	Tonga
Côte d'Ivoire	Mayotte	Trinidad & Tobago
Croatia	Mexico	Tunisia
Cuba	Micronesia, Fed. States	Turkey
Djibouti	Moldova	Turkmenistan
Dominica	Mongolia	Turks & Caicos Islands
Dominican republic	Montserrat	Tuvalu
Ecuador	Morocco	Uganda
Egypt	Mozambique	Uruguay
El Salvador	Myanmar	Uzbekistan
Equatorial Guinea	Namibia	Vanuatu
Eritrea	Nauru	Venezuela
Ethiopia	Nepal	Vietnam
Fiji	Netherlands Antilles	Virgin Islands (UK)
French Polynesia	New Caledonia	Wallis & Futuna
Gabon	Nicaragua	Western Samoa
Gambia	Niger	Yemen
Georgia	Nigeria	Yugoslavia, Fed. Rep.
Ghana	Niue	Zaire
Gibraltar	Northern Marianas	Zambia
Grenada	Oman	Zimbabwe

Note: Eurostat figures do not include figures of Cook Islands, Niue, St. Kitts-Nevis, Timor and Tokelau

APPENDIX 9 LIST OF NETHERLANDS IMPORTERS AND MOST IMPORTANT EU IMPORTERS

THE NETHERLANDS

De Bijenkorf B.V.

Chain of department stores with jewellery departments
Address: P.O. Box 12870, 1100 AW Amsterdam,
The Netherlands
Telephone: +31 (0)20 6526526
Fax: +34 (0)20 6973926
Internet: www.bijenkorf.nl

Bombarie Import

Wholesaler of precious jewellery manufactured in Mexico,
Bali and other countries
Address: Begijnhof 7, 1671 CC Medemblik,
The Netherlands
Telephone: +31 (0)227 541369
Fax: +31 (0)227 541369
E-mail: bombarie@xs4all.nl
Internet: www.bombarie.nl

Bijou Oriëntal BV

Importer and wholesaler of silver with gems, pearls from
Asian and other countries
Address: Wilhelminasingel 257, 6001 GS Weert,
The Netherlands
Telephone: +31 (0)495 532460
Fax: +31 (0)495 532715

Goldstoff Holland BV

Wholesaler of precious jewellery and gems
Address: Hogehilweg 14, 1101 CD
Amsterdam Zuidoost, The Netherlands
Telephone: +31 (0)20 6919111
Fax: +31 (0)20 6915801

Gronilux BV

Importer of imitation jewellery-articles, fashion accessories
Address: P.O. Box 425, 5460 AK Veghel,
The Netherlands
Telephone: +31 (0)413 351800
Fax: +31 (0)413 353138
E-mail: gb@gronilux.nl

Juwelier Antalya

(language: Turkish, Dutch)
Wholesaler of precious jewellery
Address: Lomstraat 6, 5911 GN Venlo, The Netherlands
Telephone: +31 (0)77 3523341
Fax: +31 (0)77 3523371

Modo-Jewellery B.V.

Importer of jewellery articles of all kinds of silver and gold
Address: P.O. Box 237, 3350 AE Papendrecht,
The Netherlands
Telephone: +31 (0)78 6154290
Fax: +31 (0)78 6159610

Schaap & Citroen Juweliers

Retail chain precious jewellery
Address: P.O. Box 11599, 2502 AN Den Haag,
The Netherlands
Telephone: +31 (0)70 3766300
Fax: +31 (0)70 3648542
E-mail: info@schaap-citroen.nl
Internet: www.schaap-citroen.nl

Siebel Juweliers Groep Den Haag

Retail chain precious jewellery
Address: P.O. Box 11599, 2502 AN Den Haag,
The Netherlands
Telephone: +31 (0)70 3766300
Fax: +31 (0)70 3648542
E-mail: info@siebel-juweliers.nl
Internet: www.siebel-juweliers.com

FRANCE

Ballet S.A.

Importer of all kinds of finished jewellery articles
Address: 12 Rue Por du Foin, 75003 Paris, France
Telephone: +33 (0)1 44613079
Fax: +33 (0)1 44613081

Dd Paris Le Joaillier du Vermeil

Wholesaler precious jewellery
Address: 10 Quai Jean Moulin, F-69001 Lyon, France
Telephone: +33 (0)4 72109950
Fax: +33 (0)4 78296340

GERMANY

Bachtar Kleinod oHG

Importer of various semi-precious jewellery, mainly from
Asian countries
Address: Stresemann Str. 4, D-40210 Düsseldorf,
Germany
Telephone: +49 (0)211 162873
Fax: +49 (0)211 369344

Derwein & Rohaczek GmbH

manufacturer of precious and semi-precious stones and pearls

Address: Schwabenstrasse 15,
D-73525 Schwäbisch Gmünd, Germany
Telephone: +49 (0)7171 605500
Fax: +49 (0)7171 655022

Golz, Franz

Importer of precious jewellery

Address: Tiefensteiner Str. 210 55743 Idar-Oberstein,
Germany
Telephone: +49 (6781) 315 32
Fax: +49 (6781) 32 59

Harer, Dabiel Schmuck GmbH

Importer of jewellery, gold, silver

Address: Gymnasiumstrasse 151, D-75175 Pforzheim,
Germany
Telephone: +49 (0)7231 145770
Fax: +49 (0)7231 1457717
E-mail: info@harer.de
Internet: www.harer.de

ITALY**Barzizza & C. Srl.**

Jewellery and gems

Address: Via G. Galilei 16, I-15048 Valenza, Italy
Telephone: +39 (0)131 920018
Fax: +39 (0)131 928259

Berca & C. SAS di Marco Berca

Manufacturer and Exporter. Also importer of a small amount of stones.

Address: P.O. Box 188, 15048 Valenza, Italy
Telephone: +39 (0)131 943370
Fax: +39 (0)131 924401
E-mail: berca@tiscalinet.it
Internet: www.berca.it

Illario, Carlo, & F.lli.srl

Exclusive jewellery

Address: Viale B. Cellini 17/A, I-15048 Valenza, Italy
Telephone: +39 (0)131 947800
Fax: +39 (0)131 953171
E-mail: sales@illariorit.it
Internet: www.illariorit.com

Kria Srl

Jewellery and gold articles

Address: Viale G.G., Trissino 97, I-36100 Vicenza, Italy
Telephone: +39 (0)444 301500
Fax: +39 (0)444 506718
E-mail: krianew@tin.it

Luca Carati SAS di G. Buttini & C.

Manufacturer

Address: Via S. Salvatore 63/65, I-15048 Valenza, Italy
Telephone: +39 (0)131 954533
Fax: +39 (0)131 924630
E-mail: lucacarati@iol.it
Internet: www.lucacarati.it

Marghera Gioielli SAS

Wholesaler precious jewellery

Address: Via P. da Cannobio 5, I-201222 Milano, Italy
Telephone: +39 (0)2 804000
Fax: +39 (0)2 804000
E-mail: marghera@tiscalinet.it

SPAIN**Ocean Import**

Importer and wholesaler

Address: Paseo de la Habana 15, 7º, D28036 Madrid,
Spain
Telephone: +34 (0)91 5637015
Fax: +34 (0)91 5617394
E-mail: (D. Miguel) ocean66@teleline.es

David Grau

Manufacturer

Address: Gaspar fábregas 38,
08950 Esplugues de Llobregat, Spain
Telephone: +34 (0)3 3712550
Fax: +34 (0)3 3712454
Internet: www.davidgrau.com

Reasas y Fornituras S.A.

Importer de various items jewellery, mostly findings; both finished and semi-finished

Address: Avenida Cardenal Herrera Oría 65,
28034 Madrid, Spain
Telephone: +34 (0)91 3580976
Fax: +34 (0)91 3223596

Temps I Disseny

Wholesaler precious jewellery

Address: C./Bruc Nº2, 08960 Sant Jus Desvern,
Barcelona, Spain
Telephone: +34 (0)93 3726819
Fax: +34 (0)93 3718329

UNITED KINGDOM**Bountygold Ltd/A Argyle Jewellery**

Importer and wholesaler

Address: Unit 1A, Beachwood Place, 123 High Street,
GB-Cheltenham GL50 1DQ, United Kingdom
Telephone: +44 (0)1242 269123
Fax: +44 (0)1242 251703

Deakin & Francis

Wholesaler and importer of jewellery and gems such as loose stones

Address: 15 Regent Place, GB-Birmingham B1 3NL,
United Kingdom
Telephone: +44 (0)121 2367751
Fax: +44 (0)121 2332588
E-mail: cufflinks@deakinfrancis.co.uk
Internet: www.deakinfrancis.com

Joseph and Pearce Ltd.

Jewellery

Address: 63-66 Hatton Garden, 6 Flr,
GB-London EC1N 8LE, United Kingdom
Telephone: +44 (0)207 4054604
Fax: +44 (0)207 2421902
E-mail: info@josephpearce.demon.co.uk

King, Sarah

Wholesaler and importer of jewellery parts

Address: 16 Newington Green Road,
GB-London N1 4RX, United Kingdom
Telephone: +44 (0)20 72268712
Fax: +44 (0)20 72268712
E-mail: sarah@sarah-king.freemove.co.uk

APPENDIX 10 USEFUL INTERNET SITES

<http://www.bja.org.uk>

The BJA (British Jewellers' Association) is the voice of the manufacturing jewellery industry in the UK. It has provided strong leadership for the industry for over 100 years and today, perhaps more than ever before, is involved in taking those decisions, which will shape the industry's future. Their website provides information on current news, publications, events and the jewellery industry in the UK. (Language: English)

<http://www.gemkey.com>

Providing information on and for the gem and jewellery trade. (Language: English)

<http://www.gjmag.com>

Site of the Gem & Jewellery Magazine published in India. This magazine contains compressed information on design trends world-wide. (Language: English)

<http://www.gold.org>

The World Gold Council is a non-profit association of gold producers world-wide, with headquarters in London and offices in major markets around the world. On this Internet site, information can be found on the market of gold, in general, and specifically of gold jewellery. (Language: English)

<http://www.thegoldsmiths.co.uk>

Up-to-date information on hallmark issues and services concerning precious metal articles can be obtained. (Language: English)

<http://www.intracen.org/vec/jewels>

The Virtual Exhibition Centre (VEC) of artisanal products is a joint ITC UNCTAD/WTO - UNESCO project which aims at promoting the artisanal sector in the developing countries and economies in transition, with a special emphasis on the Least Developed Countries (LDCs). It shows stands built around artisanal products, including jewellery. This product/manufacturer selection has been established in close collaboration with national trade promotion organisations, chambers of commerce and other business organisations, as well as non-profit organisations promoting trade. (Language: English)

<http://www.platin-gilde.de/index-e.htm>

Information on platinum jewellery and addresses of platinum jewellers in Germany, Austria and Switzerland. (Language: German)

<http://www.waarborg.nl>

Up-to-date information on hallmark issues and services concerning precious metal articles can be obtained. The WaarborgHolland site also provides an overview of the charges for assaying and marking, as well as a summary of hallmarks of other EU countries. (Language: Dutch)

<http://www.biz2bizjewellery.com/Trade/>

This site provides the latest news in the world of jewellery. Biz2BizJewellery has put together a collection of some of the top jewellery publications, all in one easy-to-access location. Connect to all the latest trends, strategies, and business deals within jewellery as reported by today's leading publications. (Language: English)

<http://www.diamonds.be/generalpublic/main2.htm>

This is a Internet site of a non-profit organisation representing the diamond industry in Belgium. It contains news and events of the diamond industry. (Language: English)

<http://www.conflictdiamonds.com/pages/Interface/newsframe.html>

News and press on the conflict regarding the trade of diamonds. (Language: English)

<http://www.hrdcan.com/>

In 1973, the Hoge Raad voor Diamant (HRD, Diamond High Council, a non-profit organisation) was founded to coordinate and optimise all activities on behalf of the diamond business. The Diamond High Council is the officially recognised representative of the Belgian diamond trade and industry. Their website provides information on the development and defence of the Belgian diamond sector, scientific research, the study of social and legal aspects regarding recruitment and training of personnel and the worldwide promotion of the Antwerp diamond centre. (Language: English, French, German, Spanish, Italian)

<http://www.silverinstitute.org/>

The Silver Institute is a non-profit international association that draws its membership from across the breadth of the silver industry. This includes leading silver mining houses, refiners, bullion suppliers, manufacturers of silver products and wholesalers of silver investment products. The Internet site provides information on development and uses of silver and silver products, markets for silver and its products, research and development related to the present and prospective uses of silver, statistics, distribution and marketing. (Language: English)

<http://www.silverinfo.com/start.htm>

Silver Information Centre (SIC) is a non-profit organisation whose mission is to provide silver information to consumers, the press and industry members. The primary objective is to increase awareness of sterling silver products, especially jewellery, flatware, giftware, and collectibles.

(Language: English)

<http://www.wjnet.com/>

One needs to be a member to access the website. Free Membership Enrolment Form is available on this site by simply filling out and submitting the form. Information on trade members and centres can be found on this Internet side.

(Language: English)

<http://www.jewellerylondon.com/>

A unique platform to showcase and view the latest and very best in contemporary design, gem-set and precious metal jewellery, watches and clocks through to packaging, display, tools and supplies.

(Language: English)

<http://www.jckgroup.com/>

Jewellers' Circular Keystone (JCK) is the jewellery industry's leading trade publication. JCK's origins date back 131 years to the original Jewellers' Circular magazine, which merged with the Jewellers' Keystone in the early thirties. JCK serves retailers, manufacturers and vendors of fine jewellery and selected upscale gift categories, providing valuable market and design trend information and how-to information about gemmology, financial management, employee relations, marketing, advertising, and visual merchandising, e-commerce, and other topics.

(Language: English)

<http://www.gfms.co.uk/>

Spot prices and useful web-links are provided on the Internet site of the Gold Fields Mineral Services Ltd information on gold, silver, seminars, products and services.

(Language: English)

<http://mjsa.polygon.net/index.html>

Manufacturing jewellers and suppliers of America (MJSA) provide on their website information on industry news, trade shows and on major magazines.

(Language: English)

<http://www.europastar.com/internationaljeweler/index.html/home/index.html>

This site has been set up by the publisher Miller Freeman and provides information on European jewellery markets, production, trade channels, imports/exports, technical developments, CEN quality standards and international trade fairs. The latest developments in the EU jewellery industry are covered in their magazine and this site has linkages to other useful databases.

(Language: English)

<http://www.unctad.org/infocomm/anglais/platinum/uses.htm>

This Internet site provides market information on several products, including precious metal.

(Language: English, Spanish, French)

<http://www.platinum.matthey.com/>

Market news, data, prices, publications on platinum can be found on this website.

(Language: English)

<http://www.voguegioiello.net/05eve/0105/0701/eindex.shtml>

Information on economic figures, products, brands, export strategies and useful information on the jewellery market of the USA and Italy is provided.

(Language: English)

<http://www.professionaljeweler.com/index.html>

Professional Jeweller is read by more than 26,000 jewellery retailers throughout the U.S. and abroad and is published monthly in Philadelphia. Professional Jeweller's mission is to provide short, well-written, information-rich articles in an organised layout sequence. The magazine's format helps readers to learn quickly the latest ways of selling their key products, creating an image in their communities, managing their stores and educating their employees.

(Language: English)

<http://www.swisstime.ch/>

Information on the Watch and jewellery industry can be found on this Internet side.

(Language: English)

http://209.11.43.222/nationaljeweler/reports_analysis/index.jsp

The online extension of National Jeweller magazine, National-Jeweler.com keeps industry professionals up-to-date on current affairs between issues. With news updated daily, an archive featuring thousands of articles, the diamond price report, precious metals prices and in-depth analysis and trend coverage, National-Jeweler.com is the strongest source for jewellery trade information. National Jeweller presents up-to-the-minute news to its readers in every issue twice a month. With the magazine's first four editorial pages devoted to the latest breaking news, and followed by news pages keyed to specific markets, readers can quickly find the information they need on the latest happenings in the marketplace. National Jeweller also keeps up with the latest trends in fashion with its colour fashion folios and other fashion coverage.

(Language: English)

<http://www.jewelleryvalencia.com>

This website provides information on the Spanish jewellery companies in the Valencia region.

(Language: English)

<http://www.bijorhca.com/>

As a part of “Reed Expositions France”, the Bijorhca trade shows will benefit from this new value to develop a synergy with international visitors in connection with the jewellery fairs organised by the Reed Exhibitions Group. Information on events, jewellery market, trade and news can be found on this website. (Language: English and French)

<http://www.kitco.com>

Kitco Minerals & Metals Inc., a Canadian precious metals refiner and supplier, provides current spot prices for major precious metals for the past 24 hours, as quotes and in a graphics format - the prices are updated at 10 minute intervals. Kitco also provides historical graphs: annual averages from 1833 onwards, monthly averages from 1968 onwards, and daily fixing prices from 1975 onwards. (Language: English)

<http://www.antiques-uk.co.uk>

The Antique-UK is an Antiques Finding Service offering a unique matching service for buyers and sellers of antiques. Their Internet site provides information on jewellery dealers and ways for exporters to ship. (Language: English)

CBI puts you in touch with the markets of Europe

CBI, the Centre for the Promotion of Imports from developing countries, is an agency of the Netherlands Ministry of Foreign Affairs. Since its establishment in 1971, CBI operates within the policy framework set by the Minister for Development Co-operation. Its mission is to contribute to the economic independence of developing countries. To fulfil this mission, CBI aims at strengthening the competitiveness of companies in those countries on international markets, primarily the West-European market, by improving conditions in enterprises and business support organisations. CBI considers social values and compliance with the most relevant environmental requirements to be an integral part of its policy and activities

CBI offers various programmes and services to its target groups:

Market information

- CBI News Bulletin (6 times annually);
- CBI guide "Exporting to the European Union";
- Market surveys and strategic marketing guides covering the EU including The Netherlands;
- Quick scans on environmental, social and health issues;
- Manuals on subjects such as technical and environmental regulations, trade fair participation, Fashion Forecast etc.;
- CBI's extensive Web site at www.cbi.nl providing general information about CBI, details about CBI programmes, CBI publications (downloadable free-of-charge) and the GreenBuss database on European trade-related environmental policy and technology;
- CBI's Trade Documentation Centre offering supply-related information to importers, such as exporters' directories, country and sector information, periodicals from developing countries, and - to visiting exporters - demand-related information such as market information, trade magazines, address books of European companies etc.

Matching services

CBI's computerized exporters' and importers' databases, containing around 3,500 regularly updated company profiles, are instrumental in providing buyers and suppliers with relevant company data on potential trade partners.

Export promotion programmes (EPP)

Step-by-step approach providing intensive assistance to selected exporters in developing countries in order to obtain a firm and lasting position on the EU market. Made to measure, demand-driven and flexibility are combined with fixed elements such as:

- pre-selection of candidates based on written documentation;
- technical assistance during company visits and distance guidance by CBI branch experts;
- export marketing training (for instance through the EXPRO seminars);
- market entry (for instance via participation in European trade fairs);
- market consolidation by way of follow-up support, further technical assistance and/or repeat market entry activities.

Human resources development

- BSO MARKET INTEL: five-day seminar in Rotterdam for relevant middle management staff of BSO's, aiming at supporting BSO's in establishing or improving a Market Information Service (MIS);
- CAPITA: two-week seminar in Rotterdam for specific industry & trade associations. Aims to provide -through their associations- specific industries or sectors in developing countries with tools to engage in business relations with importers and/or manufacturers in the EU;
- BSO-FAME: two-week seminar in Rotterdam for project managers of BSOs focusing on practical knowledge and applicable tools in export promotion to international markets in general and the European market in particular;
- IntFair: two-week seminar in Rotterdam for BSO staff members on the organization of collective participation in European trade fairs;
- Expro: seven-day seminar in Rotterdam on export marketing and management for selected exporters participating in a CBI export promotion programme;
- Workshops in developing countries: 2-4 days for BSOs and/or exporters, focussing on general export marketing and management, a specific product sector or on specific subjects.

Multilateral co-operation

CBI co-operates with the International Trade Centre (ITC/WTO) to globalize trade promotion and with other European import promotion organizations to increase efficiency and effectiveness by combining efforts.

Please write to us in English, the working language of the CBI.

Centre for the Promotion of Imports from developing countries
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