



CBI  
*Ministry of Foreign Affairs*

# **CBI Product Factsheet:**

# **Bridge Jewellery in Poland**

## Introduction

Affordable bridge jewellery is on the rise in Poland, driven by the consumer shift from traditional jewellery as a sign of prosperity to more fashionable jewellery. Jewellery exporters from developing countries (DCs) should take advantage of the opportunities of the growing demand for bridge jewellery and respond to modern consumer requirements by offering new, distinctive jewellery designs and shapes, using modern materials and alloys. Depending on their craftsmanship and the positioning of their jewellery, DC exporters could consider focusing on personalised and customised jewellery – a growing jewellery segment in Poland.

## Product Definition

Bridge jewellery is so called because it bridges fine jewellery and costume jewellery. Most bridge jewellery is artisan-made, but it can also be mass produced.

Bridge jewellery is made of the following materials:

- gold and silver metals
- Rhodium/Gold/Rose Gold plated silver
- various alloys (such as Silvadium, Argentium Silver)

Bridge jewellery is typically made with:

- semi-precious stones such as jade, topaz, turquoise, amethyst, citrine, garnet
- other stones such as cubic zirconia, fresh water pearls and Swarovski Elements
- with the exception of ruby, emerald, diamond and sapphire

Bridge jewellery is medium-priced jewellery, ranging from € 100 to € 400 depending on the metals and stones used and on the product type (earrings, necklaces, rings, bracelets etc.). Typically jewellery made of silver, alloys and gold-plated silver materials falls into the lower end of this price range, while jewellery made of gold and precious stones falls into the mid- to high-end of the price range. Often the price depends on the brand positioning and the (marketing) statement of the jewellery, as well as the design and the jeweller's craftsmanship.

### Photo examples:



Bracelet, [NAC Amber](#)



Earrings, [Olenka](#)



Ring, [Enzo](#)

Poland is known for its silver and amber jewellery craftsmanship. Some Polish jewellery brands are [Lilou](#), [NAC Amber](#), [Olenka](#), [Enzo](#). There are also many international brands on the market, such as [Pandora](#).

Bridge and fine jewellery are grouped together under [Harmonised System](#) (HS) codes 711311, 711319, 711320.

## Product Specifications

### Quality

Jewellery quality is determined by the materials used and the jeweller's craftsmanship. The choice of metal and gemstones is important; depending on the choice, the product can be more or less robust and resistant to scratches and other damage. Typically precious metals and stones are more robust and damage-resistant.

All manufacturers and exporters of jewellery to Europe must meet the European quality standards. The use of lead, cadmium, nickel and other hazardous metals is regulated in Europe. For more information, see the [Buyer Requirements](#) in this document.

## Labelling

Products marketed in Poland must be labelled in accordance with the EU requirements. Labels must include a description of the content, including the following information:

- Type of product
- Net and gross weight (in kilograms)
- Supplier/manufacturer name and location (optional)
- Serial number
- Environmental logos if applicable

Label information must be electronically readable through the use of [barcodes](#).

Some European companies prefer to disclose only selected information about the manufacturer, for example avoiding disclosure of the manufacturer name and location. In this case the European company will be re-labelling products under its own name or specifying these requirements to the DC exporters. Consult the European buyer to find out what information needs to be displayed on the product and what the particularities are with regard to labelling in Poland.

### Photo example:



Labels

## Packaging

In wholesale, jewellery is packaged in exclusive plastic bags or in bulk and cardboard boxes. Very often jewellery is shipped in bulk to Europe and is not packaged in individual bags or boxes. Once it has arrived in Europe, the jewellery gets repackaged for retail.

In retail, higher priced jewellery is packaged in special cardboard jewellery boxes, textile or organza bags, for sale to the end-consumer. Gift boxes are only used in retail, not in wholesale. Gift boxes are not supplied by the manufacturer and are typically ordered separately by the European buyers. However, if your stock also includes retail packaging, feel free to offer it to the European buyer. Be prepared to put your European customer's brand on the packaging if required.

Packaging must protect products from damage and protect the buyer from possible injury. Packaging for products marketed in Poland must meet the EU requirements. As per the [general European requirements for packaging](#), make sure that your packaging:

- has minimal weight and volume;
- has a reduced content of hazardous substances and materials in the packaging material;
- is recyclable (optional, very much valued by the European customer) and is labelled with a recycling symbol.

### Photo examples:



Organza bag, [link](#)

## Buyer Requirements

All products that are exported to and sold in Europe *must* comply with the relevant EU regulations and standards. Compliance with 1) *must* requirements, 2) *common* requirements and 3) *niche* requirements is a basic necessity for *all exporters* of jewellery. Must requirements are the minimum requirements the exporters must meet, and products that fail to meet these are not allowed on the EU market. Common and niche requirements are additional requirements that are typically set by the European buyer and are also of importance among consumers.

## Requirements you must meet

### General product safety

- General product safety requirements are applicable to all consumer goods that are not explicitly described in other legislation directives. For jewellery the safety requirements mean that there should be no sharp edges, the product should not break easily and it should not cause any other danger during normal use.
- Imports of skins of certain seal pups (raw furskins and furskins, tanned or dressed) are prohibited. See the [EU Export Helpdesk](#) for a more detailed overview of these requirements.

#### Tips:

- Familiarise yourself with the [General Product Safety Directive in the EU Export Helpdesk](#).
- Use common sense to ensure that products are safe for consumers and can be sold on the European market.
- Consider checking the [RAPEX database](#) used by EU Member States to exchange information on unsafe products, to get an idea of possible non-compliances.
- Consider consulting with your buyer to find out more about any specific requirements in terms of product safety. Some buyers (typically smaller ones) will just ask for compliance with EU legislation, not elaborating on specific requirements, while other buyers can provide you with information about specific substances that are not allowed in Poland.

## Chemicals

The use of chemicals such as *lead, cadmium, nickel, AZO dyes and Chromium VI* is restricted by the EU and is regulated through several Directives and Regulations.

**The use of lead** and its compounds in jewellery is restricted by REACH (Registration, Evaluation and Authorisation of Chemicals) regulation. Jewellery with a concentration of lead that is equal to or greater than 0.05% by weight is not allowed on the EU market. The regulation applies to metallic and non-metallic parts of jewellery and hair accessories, including bracelets, necklaces and rings, piercing jewellery and earrings, wrist-watches and wrist-wear, brooches and cufflinks.

**The use of cadmium** and its compounds is restricted by REACH regulation. Jewellery with a concentration of cadmium that is equal to or greater than 0.01% by weight is not allowed on the EU market. The regulation applies to metal beads and other metal components for jewellery making and to metal parts of jewellery and imitation jewellery articles and hair accessories, including bracelets, necklaces, rings, piercing jewellery and earrings, wrist-watches and wrist-wear, brooches and cufflinks.

**The use of nickel** and its compounds may cause allergic contact dermatitis and is therefore restricted by REACH regulation. Nickel and its compounds shall not be used in any post assemblies that are inserted into pierced ears and other pierced parts of the human body unless the rate of nickel release from such post assemblies is less than 0.2 µg/cm<sup>2</sup>/week (migration limit), and in items intended to come into direct and prolonged contact with the skin such as: earrings, necklaces, bracelets and chains, anklets, finger rings, wrist-watch cases, watch straps and tighteners, rivet buttons, tighteners, rivets, zippers and metal marks, when these are used in garments, if the rate of nickel release from the parts of these items coming into direct and prolonged contact with the skin is greater than 0.5 µg/cm<sup>2</sup>/week. The European consumer is particularly concerned about the nickel content in jewellery. Many European buyers require nickel-free jewellery.

**AZO dyes** is a group of synthetic dyestuffs based on nitrogen often used in the textile industry. Leather and textile components used in jewellery made of coloured leather or other synthetic materials should contain less than 30 mg/kg (0.003% by weight) of the AZO dyes listed in [Appendix 8](#) and [Appendix 10](#) of REACH. The use of AZO dyes/Azocolourants is regulated by REACH regulation. Azo dyes/Azocolourants that are listed in [Appendix 9](#) of REACH shall not be used for colouring textile and leather articles in concentrations higher than 0.1% by mass. No other toxic substances than Azo dyes should be used when colouring jewellery.

### Chromium VI in Leather

If your jewellery has leather elements, make sure that the chromium VI content does not exceed 3.0mg/kg. This a new legislation adopted in March 2014 and although it is officially valid as of May 1, 2015, buyers already require compliance with the legislation.

#### Tips:

- Before approaching a European buyer, gather more information on relevant REACH requirements. Be aware that REACH applies to several sectors; for jewellery exporters to Europe the following regulations are of significant importance:
  - Consult [Regulation EU No. 836/2012](#) for lead content restrictions in jewellery;
  - Consult [Regulation EU No 494/2011](#) for cadmium content restrictions in jewellery;
  - Consult [Regulation EC No 552/2009](#) for nickel content restrictions in jewellery;
  - Consult [Annex XVII of REACH](#) for Azo dyes use restrictions in jewellery.
- Make sure that the lead, cadmium, nickel or Azo dye content does not exceed the permitted level in all your jewellery products, metal parts and beads used in the final product.
- To verify compliance with the restriction of Chromium VI in Leather, consider using the test method described in [EN ISO 17075](#).
- Make sure that the chemicals content does not exceed the set limits, since European manufacturers and importers are obliged to meet the above-mentioned requirements. Consult your potential buyers to find out if test reports are required. Typically larger retailers either require test reports from importers/manufacturers or they test products themselves. Smaller buyers typically expect DC exporters' products to comply with the chemicals requirements.

### CITES

If used in bridge jewellery, parts of wild plants and animals (e.g., shells, coral, leather and wood) should not be from endangered species and not fall

#### Tip:

- Make sure that your products or product elements do not fall under CITES. Check the [EU Export Helpdesk](#) for more information on the regulation, and consult the list of restricted species in [Annexes A, B, C](#) and [Annex D](#). The EU Export Helpdesk also provides information on the different procedures applicable to such products.

## Hallmarking

Jewellery hallmarking in Poland is compulsory and there is a hallmarking and monitoring system in place to verify the precious metal content in gold and silver jewellery. Please note that the rules on precious metals control are not harmonised in the EU.

### Tip:

- For more details, see the summary of compulsory and voluntary hallmarking systems for precious metal jewellery in Europe [here](#).

## Common Buyer Requirements

### Sustainability

Sustainable products offer things such as recycling and a choice of sustainable materials (see Niche requirements), as well as improved social conditions. EU buyers increasingly look for products that have been manufactured with due respect for human rights, labour conditions and the environment. This is particularly important for the textile and apparel industry, in mining and jewellery, but also in many other industries. There are two retail initiatives that have gained ground in Western European countries: the [Business Social Compliance Initiative \(BSCI\)](#) and the [Ethical Trading Initiative \(ETI\)](#). Bigger EU companies have even developed their own Corporate Social Responsibility (CSR) policies and require suppliers to conform to these requirements. Workers' health and safety in particular are sensitive topics in Europe, and buyers want to prevent damage to their reputation.

### Tip:

- Understand how you can improve your sustainability performance. This will not necessarily mean immediate certification. Nevertheless, it is important to familiarise yourself with the issues included in the initiatives. Consult the [Standards Map database](#) for the different labels and standards relevant for jewellery. Consider doing a company self-assessment, available on the [BSCI website](#).

## Niche Buyer Requirements

### Fairtrade labelling

Fairtrade-labelled products are an initiative that supports fair pricing, improved social conditions for producers, and guaranteed fair and responsible practices in the entire jewellery supply chain. Sustainability initiatives are particularly important for manufacturers of jewellery that contains precious metals and precious stones, which are associated with the welfare of miners and the effect of mining activities on the environment. They force the jewellery sector to provide more transparency and accountability in terms of the materials used. Many jewellery manufacturers apply for transparency and accountability certificates at Fairtrade, the Responsible Jewellery Council and other international organisations to demonstrate their ethical practices. For more information refer to the [EU Buyer Requirements for Jewellery](#).

### Tip:

- The actual use of Fairtrade labels is still a niche in this sector, but familiarising yourself with the initiatives and how they work is an initial step.
- Familiarise yourself with the programmes offered by the [Responsible Jewellery Council](#), [Fairgold](#), [Fairminded](#), and other initiatives.
- It is clearly an advantage to demonstrate your engagement and to state your ethical principles in all your marketing materials and your website.

For more details consult the [EU Buyer Requirements for Jewellery](#) on the CBI Market Intelligence Platform.

## Macro-Economic Statistics

Strong economic development, a growing middle class with an increasing disposable income, low interest rates and improving consumer confidence make Poland an attractive entry market for DC exporters. Poland is the 6<sup>th</sup> biggest country in Europe, population-wise. It experienced dynamic economic development during the European crisis years, and is expected to outperform the average European Union level with regard to GDP growth over 2014-2018.

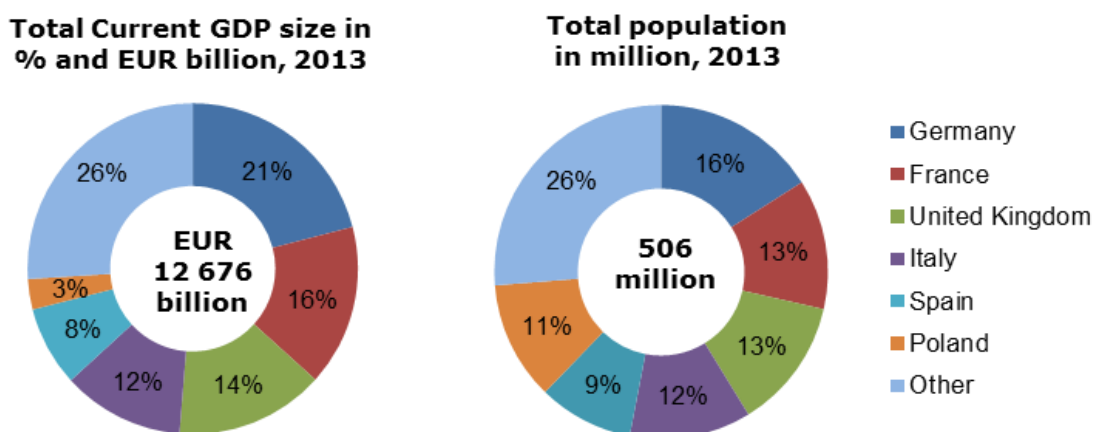
### Population

The population of the EU was estimated at 506 million in 2013, and Poland constitutes 11% of the total EU population. With approximately 38.5 million people, Poland is the 6th biggest country in Europe.

### Economy size

Poland's GDP size accounts for a 3% share of the total European GDP and it is the 8th biggest country in Europe in terms of GDP size.

**Figure 1: Key 2013 macroeconomic indicators for Poland and the leading European countries**

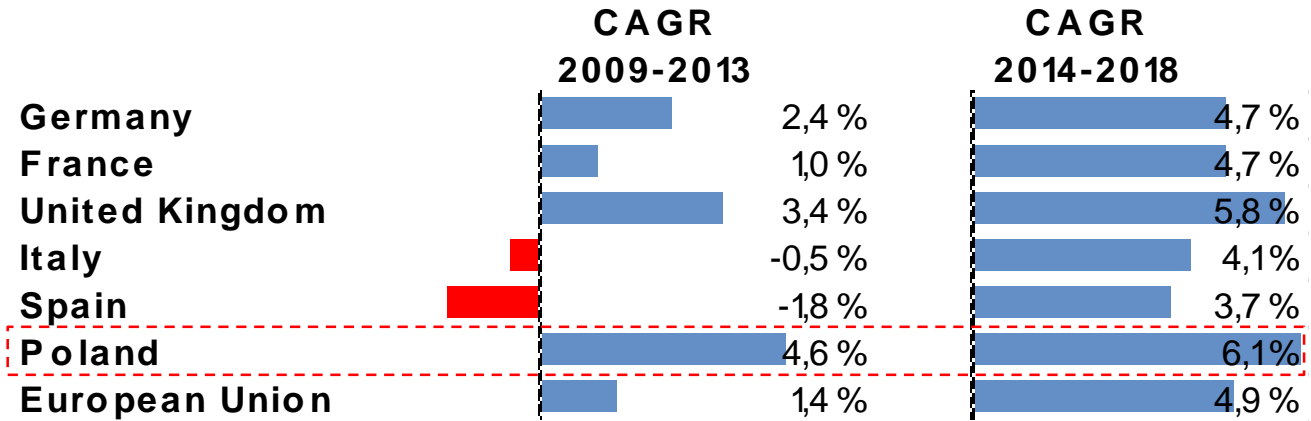


Source: IMF 2014

### Economic growth

Over the past 5 years, Poland has seen a significant economic growth, outperforming the average development on the European market. Poland's GDP is expected to grow annually by 6.1% over 2014 - 2018 and the year-over-year growth is expected to be 5.5% in 2014. This exceptional development is driven by strong exports and domestic demand.

Figure 2: GDP (current prices) Compound Annual Growth Rate (CAGR) for 2009-2013 and estimate for 2014-2018 for Poland and the top 5 European countries

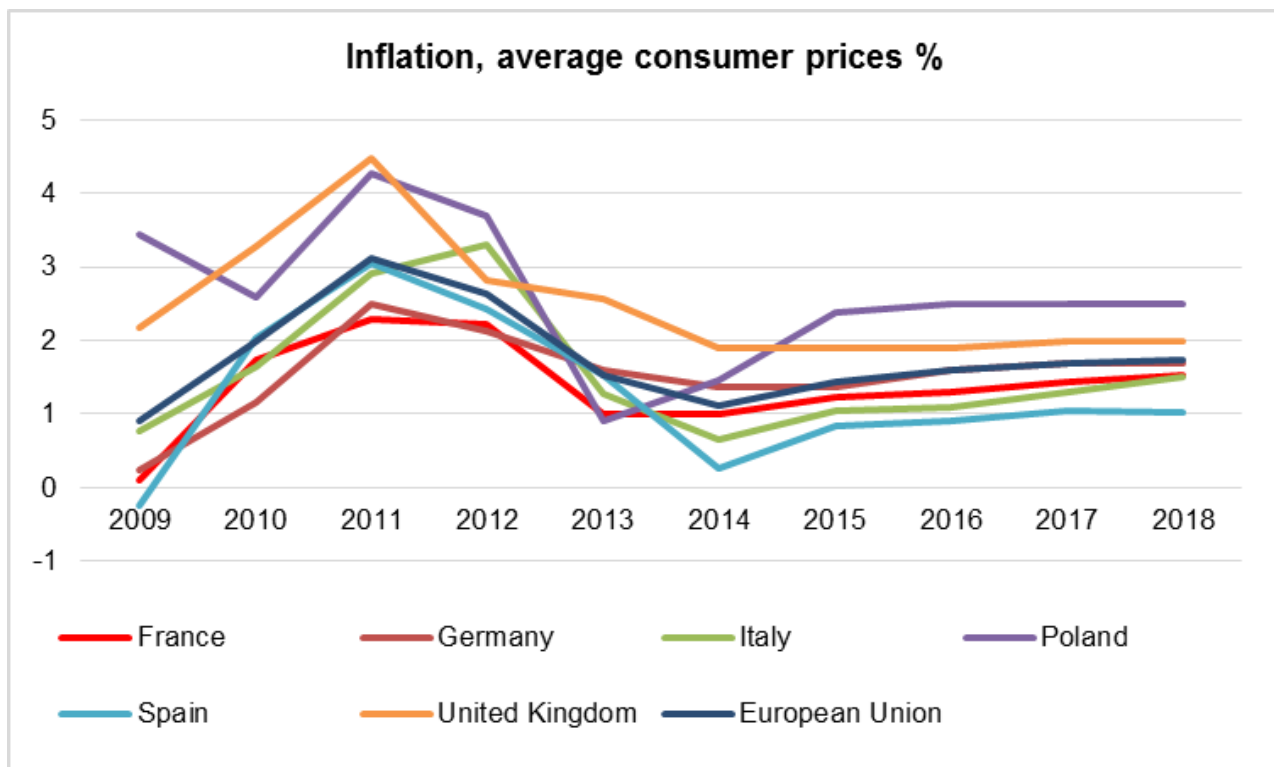


Source: IMF 2014, World Economic Outlook Database

### Consumer prices and inflation

The inflation rate in Poland over 2009-2012 was above the average European level, driven by increasing cost pressures due to the European economic slowdown. In 2013, the average consumer price change was below 1%, and it is expected to increase to 1.5% in 2014. Over 2014-2018, Poland's consumer prices are expected to increase by an average of 2.3% per year, far above the average EU inflation level (1.5%). Poland has a relatively good job market, which explains the strong purchasing power and improving confidence of its consumers.

Figure 3: Consumer pricing changes in 2009-2013 and expected inflation rate for 2014-2018 in the leading European countries including Poland and the EU, in %



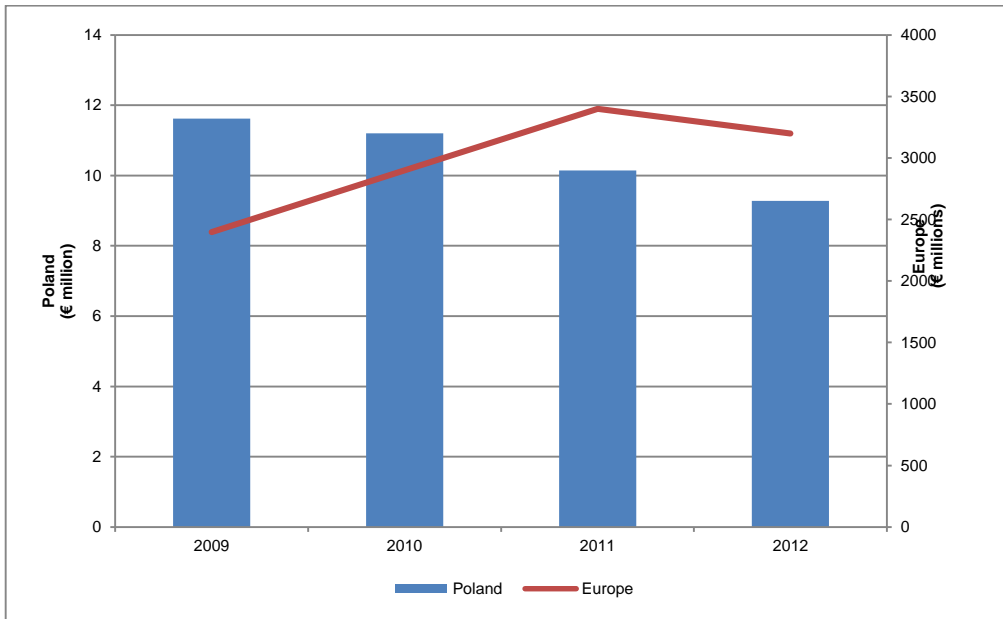
Source: IMF 2014



## Trade Statistics

### Production and consumption

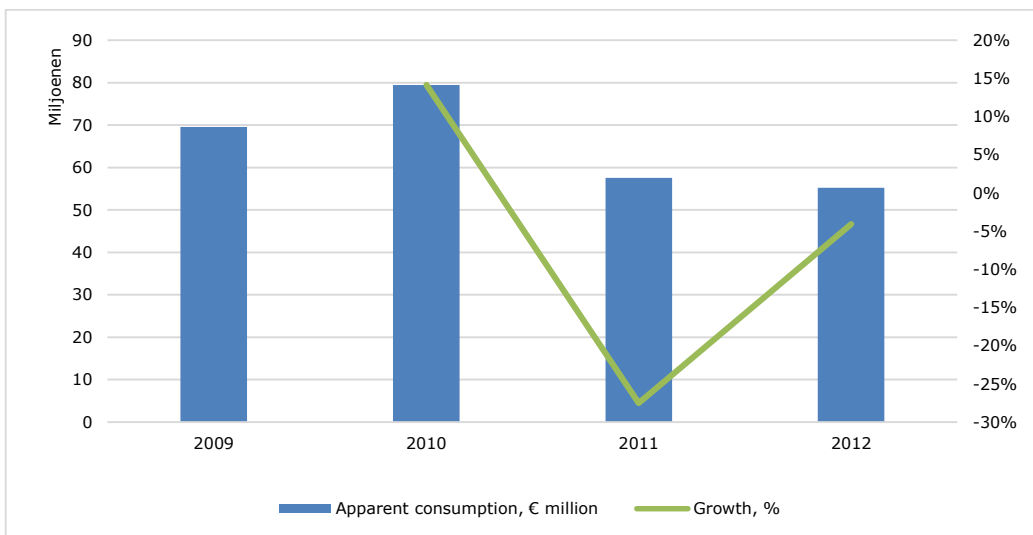
Figure 4: Production of gold and silver jewellery\* in Poland in 2009-2012, value in millions of €



Source: Eurostat Prodcum (October 2014)

\*All silver and gold jewellery (fine + bridge jewellery)

Figure 5: Apparent consumption\* of gold and silver jewellery\*\* in Poland in 2009-2012, value in millions of €



Source: Eurostat Prodcum (October 2014)

\*Apparent consumption = production - exports + imports

\*\*All silver and gold jewellery (fine + bridge jewellery)

Poland is a relatively small producer of silver and gold jewellery in Europe, with a market share below 1%. Poland is valued for the production of amber and silver jewellery. It benefits from the availability of raw resources, with a 44% share of the total Baltic amber deposits and the second largest amber deposits after Russia (48%).

Over 2009-2012, the Polish production and apparent consumption of silver and gold jewellery experienced a decline due to the economic slowdown in Poland and Europe.

The jewellery market is expected to grow 5-10% in 2014, driven by the strong domestic demand for gold and silver jewellery. Many jewellery companies are planning to expand by adding new stores, for example [Briju](#), Vistula's [W.Kruk](#) and [YES](#). International brands are also entering or expanding on the Polish market to take advantage of the strong demand, for example [Tous](#) from Spain.

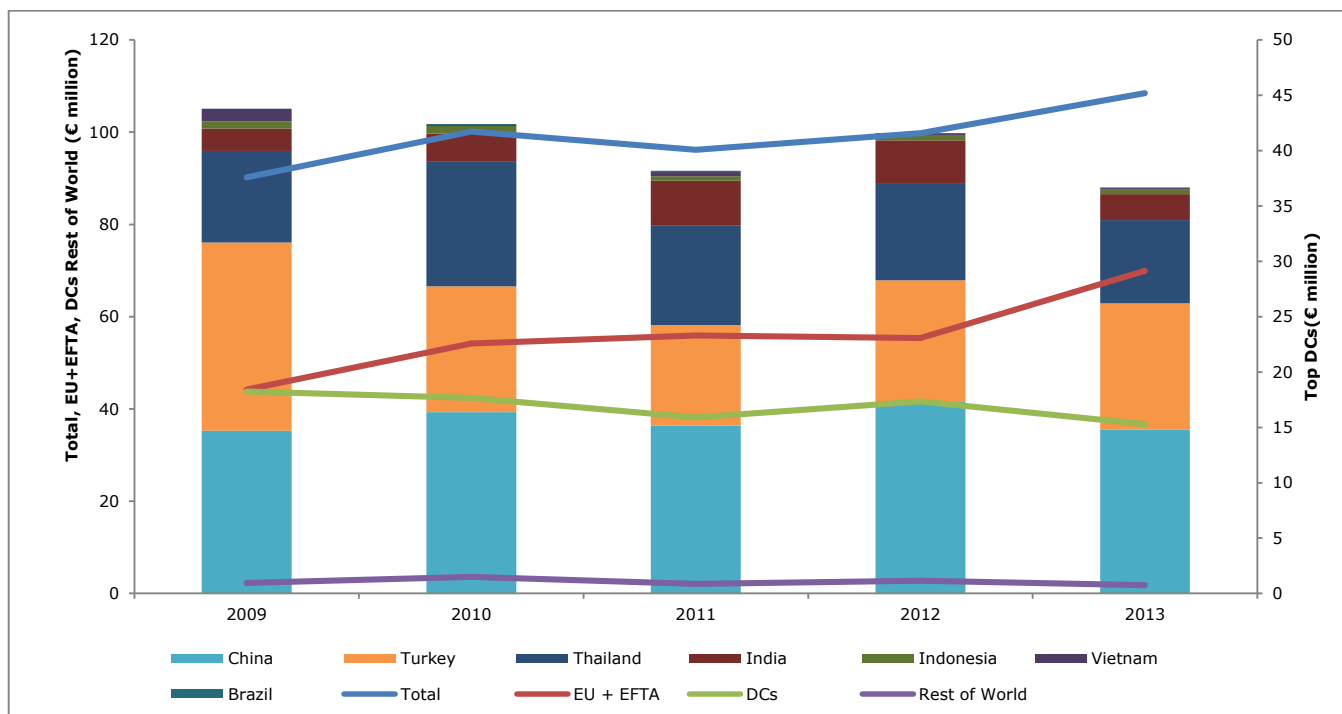
Traditionally, the Polish consumer has perceived jewellery as a sign of prosperity, but in recent years Polish consumers have become increasingly attracted to jewellery as a fashion accessory. Polish jewellers have been increasingly creating more interesting jewellery designs by using new materials such as leather and wood, and new design shapes such as squares and rings, thus shifting to a more affordable jewellery segment.

**Tip:**

- Enter the Polish market with a distinctive design and an affordable price. Carefully select the metal and stones for your designs, trying to keep the total production cost low. Consider shifting from higher priced gold to lower priced metals in your production and focus on jewellery collections made of better-priced silver, gold plated silver and various alloys.

**Import and export**

**Figure 6: Import of silver and gold jewellery\* to Poland, value in millions of €**



Source: Eurostat (October 2014)

\*All silver and gold jewellery (fine + bridge jewellery)

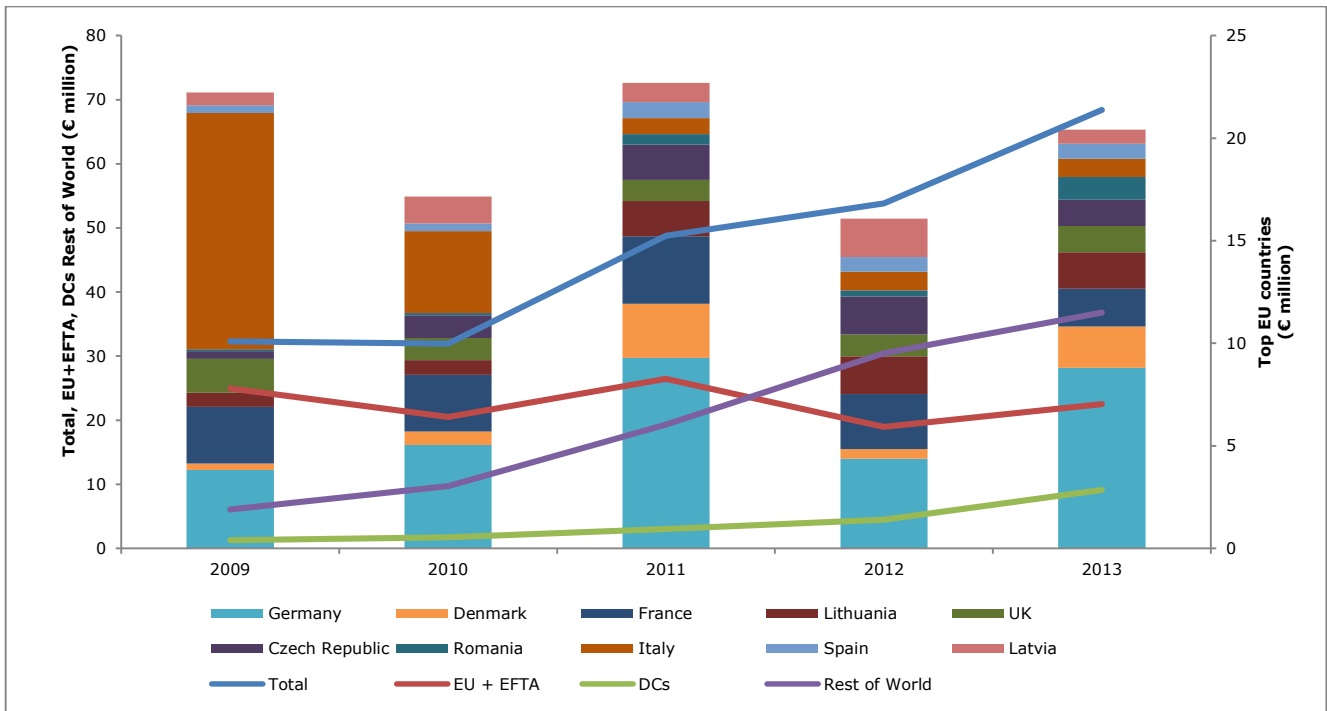
In terms of value, the total import of gold and silver jewellery was up by 4.7% CAGR over 2009-2013. Over 60% of gold and silver jewellery was imported from Europe to Poland, while the share of DCs in imports was 34%. While European imports have enjoyed a positive performance over the past five years, gold and silver jewellery imports from DCs experienced a decline of 4% CAGR over 2009-2013. In 2013, DC imports fell by 12% year-over-year. The outlook for gold and silver jewellery imports in Poland remains positive. Higher demand for fashionable jewellery will drive the import of affordable jewellery from DCs and other countries.

Europe remained the leading exporter of gold and silver jewellery to Poland. The leading DC exporters – China, Turkey, Thailand and India – have a 33% share of imports of gold and silver jewellery into Poland. Over the past 5 years, imports from Brazil have experienced a significant increase, up by 71% CAGR in 2009-2013. Indian gold and silver jewellery imports went up by 4% CAGR over this period. In addition to the cost benefits, the craftsmanship in jewellery design also pushed up the countries’ import share to Poland.

**Tip:**

- Enter the Polish market with well-priced silver and gold jewellery to meet the consumer demand for affordable jewellery. Maximise your competitiveness vs. the mass production markets by focusing on a value proposition – well-priced jewellery with an intriguing design and a clear jewellery statement.

**Figure 7: Export of silver and gold jewellery\* from Poland, value in millions of €**



Source: Eurostat (October 2014)

\*All silver and gold jewellery (fine + bridge jewellery)

Exports of gold and silver jewellery from Poland experienced a significant increase over the past five years, up by 21% CAGR over 2009-2013. In 2013, Polish exports of gold and silver jewellery to Europe were up by 19% year-over-year, after a decrease in 2010 and 2012 due to the unfavourable economic performance of some of the key European destinations. In 2013, Polish exports to Germany (101%), Denmark (324%), the UK (23%) and Romania (268%) increased most, while France and Czech Republic cut their spending on silver and gold jewellery from Poland in 2013.

Compared to France, Poland is no leading trade hub in Europe. Its export share to Europe accounts for 33% of total exports, at €22.5 million in total (France’s share of exports to Europe is 85% of total exports, €2.5 billion in total). Germany, Denmark and France remain the leading destinations for jewellery exports from Poland.

**Tip:**

- Target Poland as an end-consumer market for gold and silver jewellery, as there are limited opportunities to cooperate with Polish market players for re-exports.

## Market Trends

The interest of Polish consumers in ethical and recycled products is not as strong as in other European countries. There is a group of Polish consumers with a stronger interest in social imbalance and environmental issues, however. Recyclable jewellery has been introduced by some Polish jewellers, for example [Sroka](#) jewellery, which uses old guitar strings in the pieces it designs. Sales of sustainable and recycled products are negligible in Poland, but it is a powerful marketing tool for new market entrants such as DC exporters.



*Sroka recycled bracelet, [link](#)*

### Tip:

- Consider operating on the niche market for sustainable or recyclable jewellery. To offer such jewellery, carefully source your materials and pay attention to the certification and ethical principles of your suppliers and partners.

The globally ongoing personalisation trend has raised consumer interest in customisable jewellery. Customisable jewellery gives customers the opportunity to create individual designs. In Poland, the Danish brand [Pandora](#) is one of the fastest growing jewellery companies. The success of the brand is driven by the ability to split the cost of expensive jewellery by buying the individual beads one at a time, and they are also a perfect gift. [Lilou](#), a Polish jeweller, is another example of a success story on the jewellery customisation and personalisation scene. Though the approach is different to Pandora's, Lilou offers the opportunity to create individual customisable rings, bracelets and other pieces. Customisation includes the metal, stone and shape. Customisable jewellery is an on-going trend in Poland, and it also presents good opportunities for new market entrants.



*Lilou stack rings, [link](#)*

**Tip:**

- Depending on your specialisation and your jewellery statement, consider offering customisable jewellery collections along with your key jewellery lines.

To make the gold and silver and even the traditional amber jewellery look more fashionable and to target the younger generation, Polish jewellers have increasingly started using creative designs and modern materials. Thus square and circle-shaped designs made with low-cost materials such as wood, textile, leather or even plastic are gaining popularity in Poland, primarily among the younger generation. The use of less-expensive materials is also aimed at keeping the production cost low and at meeting the consumer requirements for more affordable jewellery.

**Tip:**

- Consider using lower-priced alloys or integrate low-cost non-precious materials into your jewellery collection to keep the production cost low. Using some of the modern materials, you'll be able to keep up with competitors by adding a modern touch to your collections. Continue working on the creativity of your designs.

The breakthrough of 3D printing technology is driving innovation in a number of industries, including jewellery. 3D technology can be used to print jewellery designs from various materials. The growing use of other non-metal materials simplifies the integration of this innovative technology into the production process. The jewellery industry has started offering 3D prints for the jewellery industry as a new service, with the Polish company [Argentum Jewellery](#) as an example. The use of the latest technology provides a competitive edge that reinforces the competition on the local market.

**Tip:**

- Be up to date on all technological developments on the market, including the latest 3D technology. Evaluate the advantages and disadvantages of this technology and compare the cost benefits of the traditional production process and processes that use the technology. Carefully choose the more cost efficient production process and keep any investment costs in mind. Clearly state the advantage of your selected production process in all marketing materials, such as the value of hand-made jewellery or its modern high-tech design.

For more information on market trends, please refer to CBI Trends for Jewellery.

## Market Channels and Segments

For more information, please refer to CBI Market Channels and Segments for Jewellery.

## Price

**Figure 8: Price structure**



Your Free On Board (FOB) Price must be calculated in such a way that all costs are covered: production costs (raw materials, labour costs), administration costs (rents, electricity and other fixed costs) and marketing costs (expenses for marketing materials, catalogues, website, travel costs to European trade shows and other related costs). If you're using Alibaba, Google, Amazon or other online marketing tools, be prepared to also pay a fee for these tools and add it to your calculation.

Be aware of the different costs and value chain margins that add to the product price. Logistics costs for bridge jewellery are higher than for fine jewellery, as the total order value is typically smaller (compared to fine jewellery).

**Tip:**

- Carefully estimate all your costs and select the preferred European buyer. Working directly with a retailer, you can have higher profit margins, but be aware that your costs will increase as well. Logistics costs will be higher as the order volume will tend to be smaller when compared to collaboration with a wholesaler. Besides, travel costs (part of marketing costs) may be higher when working with independent retailers.

## Field of Competition

For more information, please refer to CBI Field of Competition for Jewellery, as the market competitiveness of Bridge jewellery in Poland does not differ significantly from this general overview.

## Main Sources

- Eurostat, URL: <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>
- International Monetary Fund (IMF), URL: <http://www.imf.org/external/index.htm>
- Polish trends and news portal PolskiJubiler, URL: <http://www.polskijubiler.pl/>
- Promotion of the Polish economy on international markets by the Ministry of Economy, co-financed by the European Regional Development Fund, URL: [www.forum-ekonomiczne.pl](http://www.forum-ekonomiczne.pl)

## Trade Shows

- Jewellery and Watch Fair in Warsaw, Poland, URL: <http://www.zlotosrebroczas.com/>



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