



CBI
Ministry of Foreign Affairs

CBI Product Factsheet:

Costume Jewellery in France

Introduction

The fragile economy in France and deteriorating consumer purchasing power resulted in fast-growing sales of low-priced costume jewellery. Jewellery exporters from developing countries (DCs) will benefit from the growing costume jewellery market by offering a well-priced product. To compete with the larger fine and bridge jewellery market, DC exporters should stand-out with a sound positioning. Focusing on a niche segment such as recycled jewellery can open doors on the French market. Efficient resource planning and the use of cheaper metals and alloys will help DC exporters keep the total production cost low.

Product Definition

Costume jewellery (also called fashion jewellery) comprises accessories that complement the fashion styles of women, men and children. Costume jewellery can be artisan-made or mass produced.

Modern costume jewellery incorporates the following metals and materials:

- non-precious metals: brass, steel, cast zinc, cast tin, vermeil,
- semi-precious metals: sterling silver, gold- or silver-plated brass and other alloys
- non-metal materials: leather, textile, resins, cords, natural wood, coconut chips, dyed or engraved or cracked shells, etc.
- non- or semi-precious stones, including crystal and cubic zirconia

Costume jewellery is lower-priced jewellery with prices ranging from € 1 to € 100 depending on the metals and stones used and the product type (earrings, necklaces, rings, bracelets etc.). Typically pieces made of non-precious materials fall into the lower end of this price range, while jewellery made of semi-precious metals and stones falls into in the mid- to high-end of the price range. Often the price depends on the brand positioning and the (marketing) statement of the jewellery.

The majority of costume jewellery is unbranded jewellery. There are also a number of brands that specialise in costume jewellery, for example French jewellery company [Agatha Paris](#).

Costume jewellery is grouped under [Harmonised System](#) (HS) codes 711711, 71171910, 71171991, 71171999, 711790.

Photo examples:



Bracelet, [Agatha Paris](#)



Earrings, [Agatha Paris](#)



Unbranded jewellery



Unbranded jewellery

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 and other hazardous metals is regulated in Europe. For more information, see the [Buyer Requirements](#) in this document.

Labelling

Products marketed in France 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 France.

Photo example:



Labels

Packaging

In wholesale, jewellery pieces are 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 pieces get 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, and 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 France 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, but very much valued by the European customer) and is labelled with a recycling symbol

Photo examples:



Gift box, [Agatha Paris](#)

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 should not cause any other danger during normal use.

Specifically for imitation or costume jewellery, 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 France.

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 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 compound 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/cm²/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 when coming into direct and prolonged contact with the skin is greater than 0.5 µg/cm²/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 there 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 dye use restrictions in jewellery.
- Make sure that 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 the DC exporters' products to comply with the chemicals requirements.

CITES

If used in costume jewellery, parts of wild plants and animals (e.g. shells, coral, leather and wood) should not be from endangered species and not fall under the restrictions of the Convention on International Trade in Endangered Species (CITES).

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 is compulsory in France 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](#).

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 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](#).

Tips:

- 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

France is one of the leading European countries with a positive outlook for the next 5 years in its economic development. It is also the second-biggest market in terms of the population. Due to the difficult economic situation over 2010-2013 (incl. tax raises and high inflation), consumers tend to prioritise their spending and buy more essential goods or shift to more affordable products such as costume jewellery. Therefore, DC exporters should see no negative macro-economic impact on the possible cooperation with French companies with regard to costume jewellery. The recovering economy and the shift to more affordable jewellery is favourable for DC exporters whose competitiveness is driven mainly by (but not limited to) low production costs.

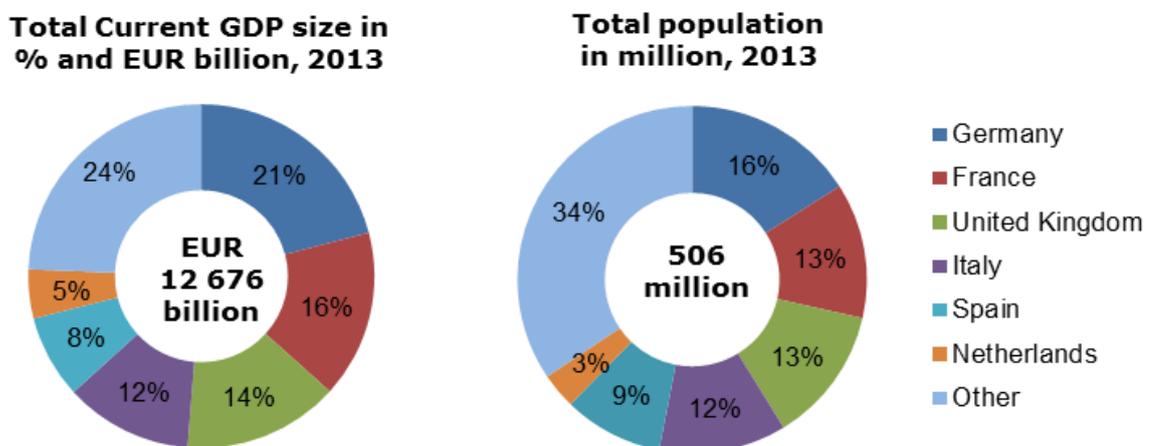
Population

The population of the EU was estimated at 506 million in 2013, and France constitutes 13% of the total EU population (approximately 63.7 million people).

Economy size

France is the second largest country in Europe (after Germany) based on the current GDP size, holding a share of 16% of the total GDP.

Figure 1: Key 2013 macroeconomic indicators for the leading European countries including France

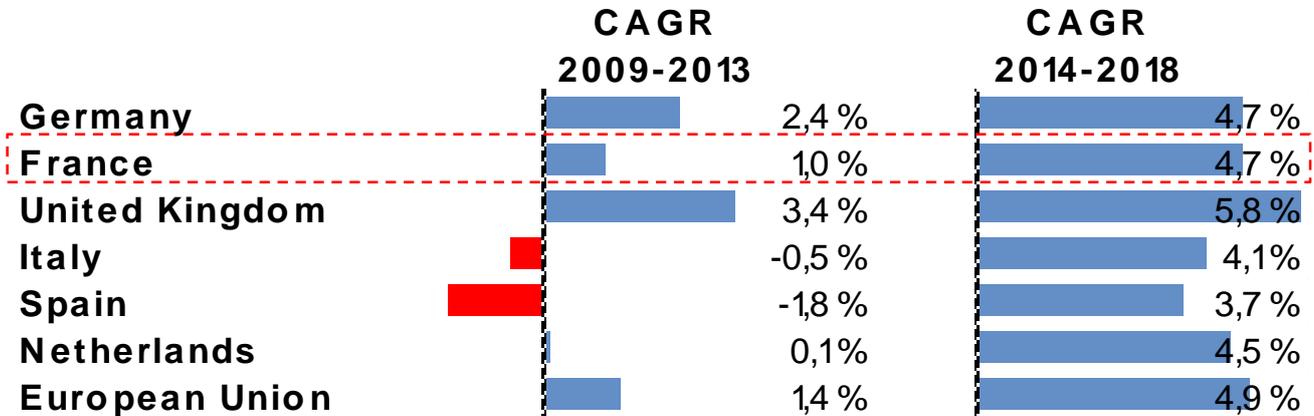


Source: IMF 2014

Economic growth

France's GDP is expected to grow annually by 4.7% in 2014 - 2018 and the year-over-year growth for 2014 is expected to be 5.4%, slightly below Europe's GDP growth (6.2%).

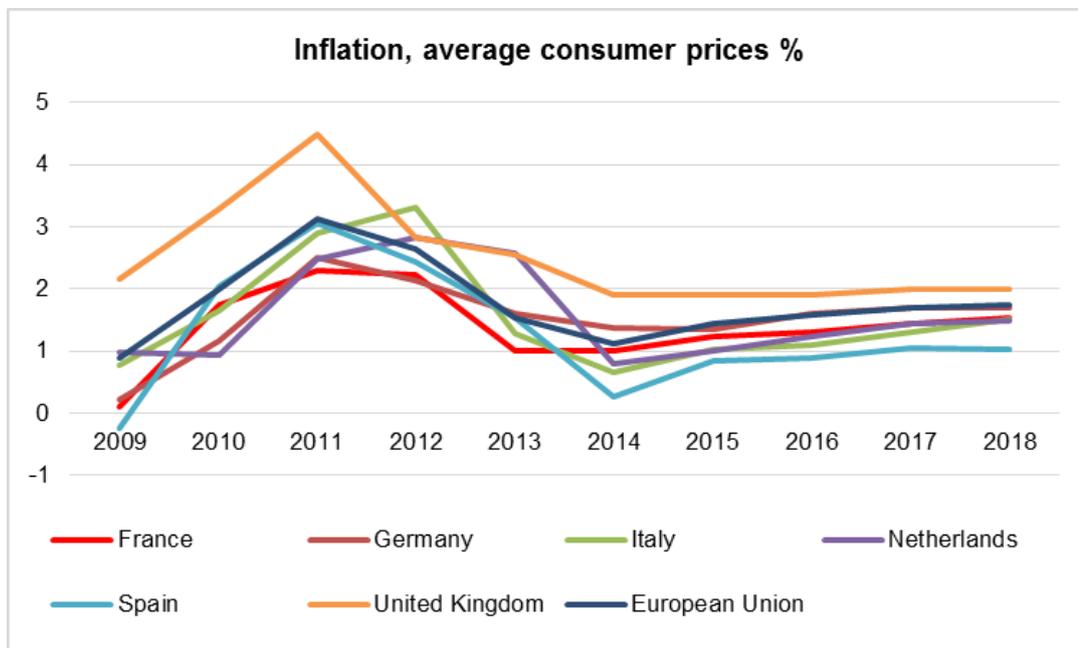
Figure 2: GDP (current prices) Compound Annual Growth Rate (CAGR) for 2009-2013 and estimate for 2014-2018 for the leading European countries including France



Source: IMF 2014, World Economic Outlook Database

Consumer prices and inflation

High inflation over the past 4 years, driven by tax increases and price hikes on raw materials, has negatively impacted consumer confidence in France. In 2013, the average consumer price change was about 1% and is expected to remain at this level in 2014. In 2014-2018, France’s consumer prices are expected to increase by 1.3% per year on average, below the average EU inflation level (1.5%).

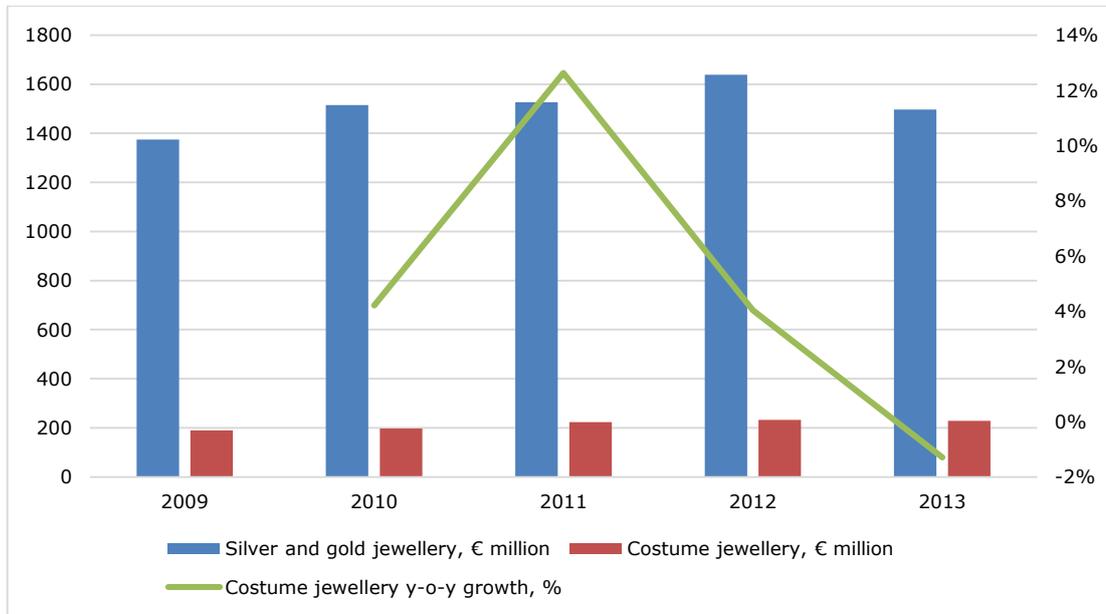


Source: IMF 2014

Trade Statistics

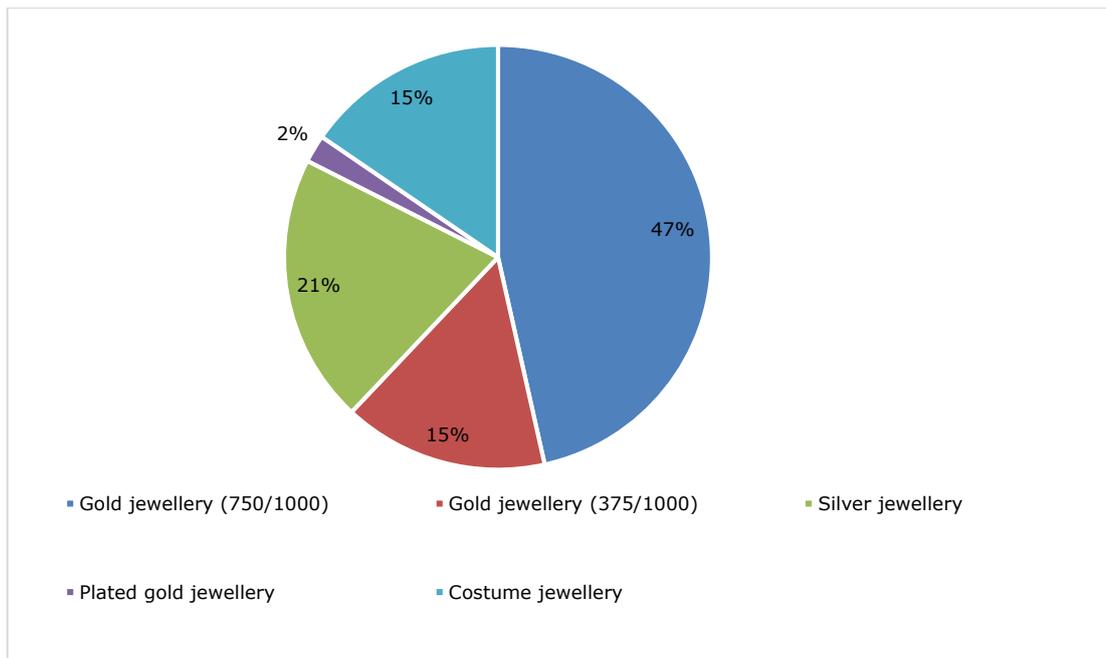
Production and consumption

Figure 4: Production of costume jewellery in France in 2009-2013, value in millions of € and growth in %



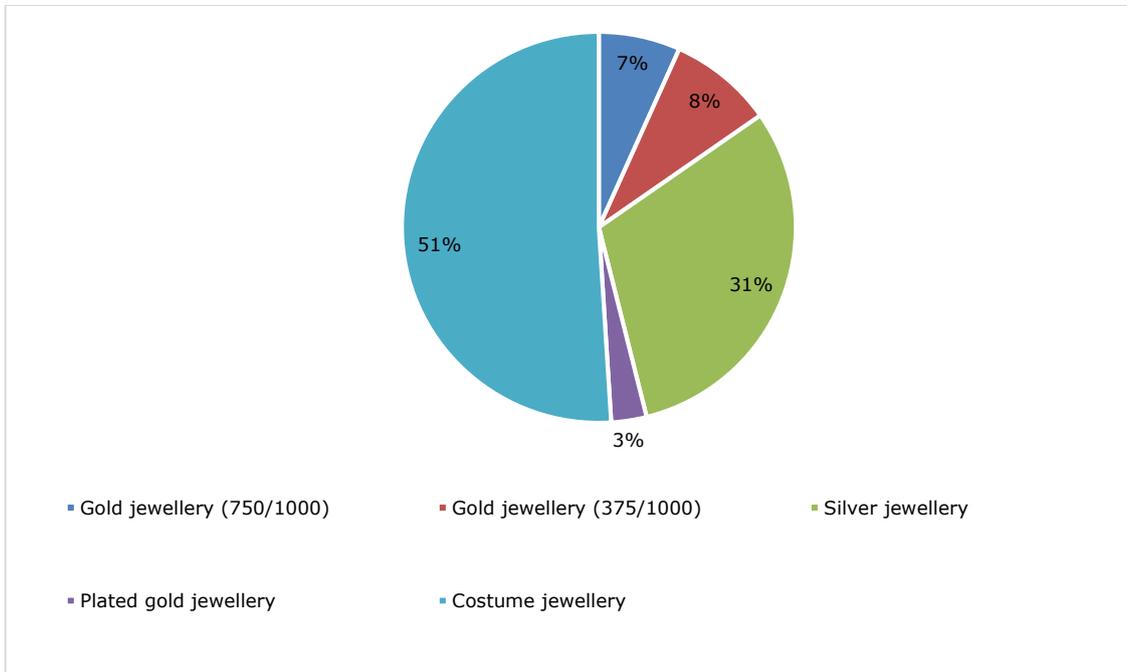
Source: Comité Francéclat, 2013 Chiffres Clés Horlogerie, Bijouterie, Joaillerie

Figure 5: Sales structure of costume jewellery in terms of value in France in 2013, in %



Source: Comité Francéclat, 2013 Chiffres Clés Horlogerie, Bijouterie, Joaillerie

Figure 6: Sales structure of costume jewellery in terms of volume in France in 2013, in %



Source: Comité Francéclat, 2013 Chiffres Clés Horlogerie, Bijouterie, Joaillerie

In France, gold jewellery is hallmarked in parts per thousand: 750/1000 and 375/1000

According to the Comité Francéclat, the production of costume jewellery in France amounted to € 0.2 billion in 2013, down by 1% year-over-year. In 2013, costume jewellery sales increased significantly by 6%, totalling € 537 million. Total jewellery sales in France declined by 4%.

The jewellery market in France on the whole is suffering from the negative impact of the fragile economic climate over 2010-2013. The French government has been raising taxes to diminish the country's deficit. Tax hikes have had a negative impact on local retailer and producer performance, including the market players in the jewellery industry. This negatively impacted consumer confidence, and consumers started prioritising their spending and shifting towards more affordable products. Costume jewellery benefited from this economic situation, becoming the preferred type of jewellery for French consumers, as it is more affordable.

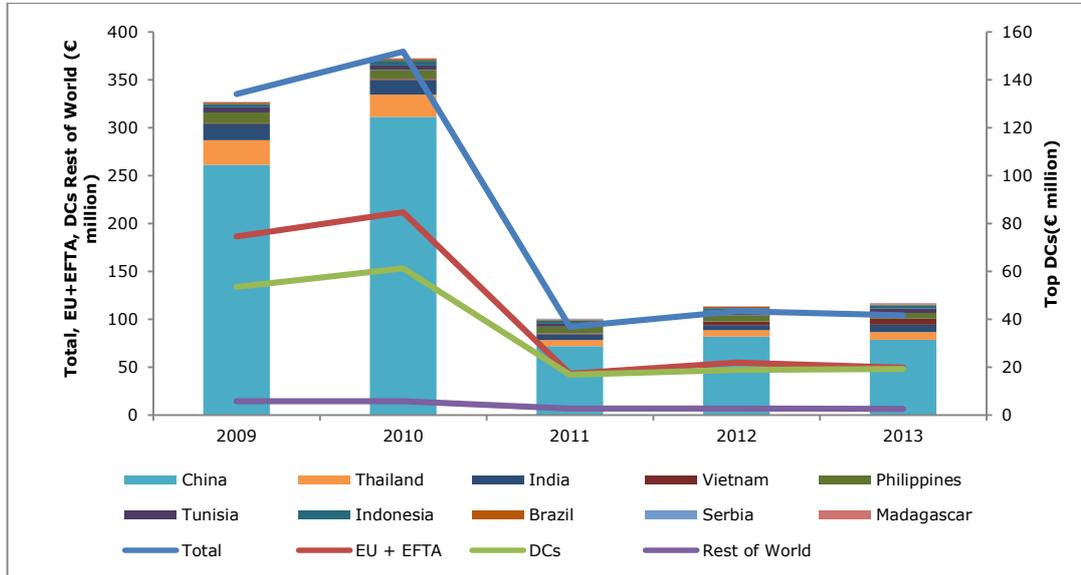
The outlook for costume jewellery in France is positive, while fine jewellery is expected to see only marginal growth due to low purchasing power. Costume jewellery will continue to benefit from the trend to buy more affordable jewellery as opposed to fine jewellery.

Tip:

- Due to the unstable economic situation in France, DC exporters will have better opportunities to offer costume jewellery and other affordable jewellery instead of upscale fine jewellery. Companies focusing on jewellery from niche markets such as sustainable, recyclable jewellery and jewellery with a clear positioning and statement, such as ethnic jewellery or customisable jewellery, will have the advantage in this highly competitive and challenging environment.

Import and export

Figure 7: Import of costume jewellery to France, value in millions of €



Source: Eurostat (October 2014)

In terms of value, total imports of costume jewellery were down by 25.4% CAGR in 2009-2013. Imports from DCs were able to recover in 2013, and they registered a 2% year-over-year growth. The negative import performance over the past 5 years is the result of the fragile economic situation in France and Europe. The outlook for costume jewellery in France is positive: higher costume jewellery sales, and thus increased imports from DCs and other countries, are expected.

China, Thailand and India are the leading exporters of costume jewellery to France (and also to Europe), holding a share of 36% of total imports. Thailand, India, Vietnam, Indonesia, Serbia and Madagascar saw a dynamic year-over-year increase in imports of costume jewellery to France in 2013, signalling the country's economic recovery and an increasing demand for more affordable jewellery.

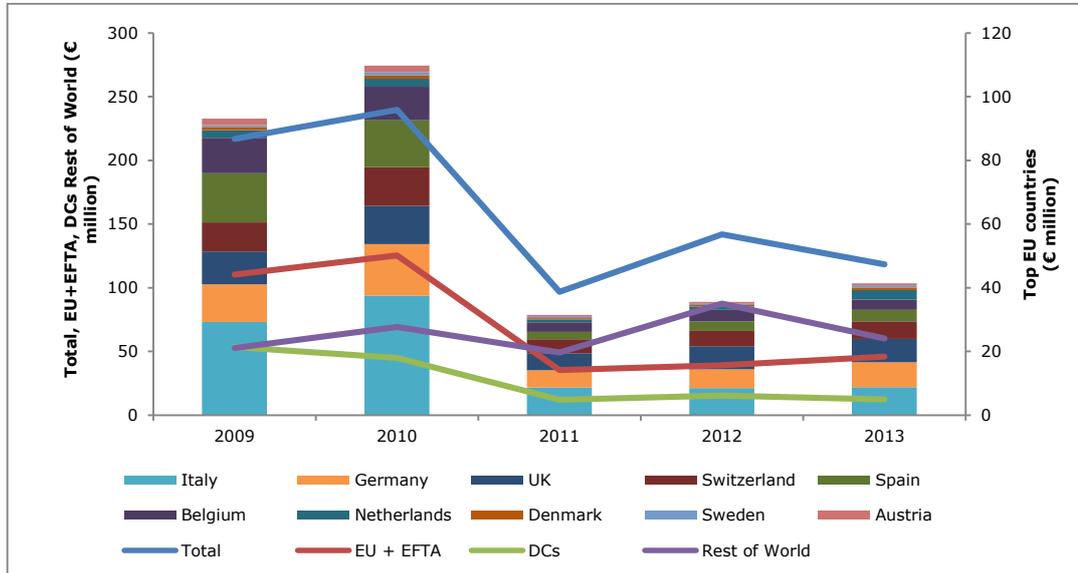
Vietnam has become an important (No.4) partner for French jewellery companies. France imported 7.5 times (in terms of value) more costume jewellery from Vietnam in 2013 than it did in 2009, while the CAGR reached 65.7% in 2009-2013. Vietnam's increasing importance is partially driven by the relocation of production facilities from China where production costs exploded.

Madagascar is another French partner whose role in the international trade saw significant growth (CAGR 44% in 2009-2013). The country, which is rich in minerals, managed to position itself as a reliable partner.

Tips:

- Enter the French market with well-priced costume jewellery to meet the consumer's demand for affordable jewellery.
- Maximise your competitiveness vs. mass production markets by focusing on a value proposition – well-priced jewellery with an intriguing design and a clear positioning.
- Consider hiring a French-speaking sales person to drive your sales to get your foot in the door at French companies.

Figure 8: Export of costume jewellery from France, value in millions of €



Source: Eurostat (October 2014)

According to Eurostat, costume jewellery exports from France declined over 2009-2013. In 2013, French exports of costume jewellery to Europe recovered, up by 17% year-over-year, as a result of the improved economic situation in many European countries. France's exports to the Netherlands (180%), Denmark (81%) and Sweden (60%) increased most in 2013, followed by exports to Germany (32%). Italy, Germany and the UK remained the leading export destinations for French jewellery companies.

Tip:

- Consider targeting other European countries through indirect exports when cooperating with French retailers of costume jewellery, since France is a significant European exporter of jewellery.

Market Trends

The French consumer (similar to many other European consumers) is increasingly interested in recycled products and putting pressure on unethically operating companies. The awareness of social imbalance and environmental issues make consumers think 'ethically' and go for Fairtrade and recycled products. Globally the combined sales of diamonds, gold and platinum group metals in the jewellery supply chain by [RJC](#) Members grew by 8.5% in 2013, and RJC members' combined sales accounted for about 26% of global jewellery sales. [JEM](#) and [APRIL Paris](#), for example, have been successfully positioning their brands as Fairtrade and recycled. The number of companies focusing on sustainable jewellery is growing. Sales of sustainable and recycled products are still negligible in France, but it is a powerful marketing tool for new market entrants such as DC exporters.



Nodova Necklace, [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. Consider using recycled materials such as cords, ropes, recycled metal elements and other recycled materials.

The fragile French economy and low consumer purchasing power are driving the sales of more affordable jewellery. Fast-fashion brands such as [Kiabi](#), [H&M](#), [La Halle](#) and [Zara](#) have been increasing their number of stores across France. French fast-fashion brands such as Primark and Topshop also entered the market in 2012 to profit from the positive market trend in France. There evidently is a strong demand for low-priced apparel and accessories, including jewellery.

Tip:

- Enter the market with a value-for-money proposition. Besides asking a good price for your jewellery, consider adding value by using new trendy materials such as leather, textile, resins and natural components, for example shells, coconut chips and wood. These materials can make your jewellery design look intriguing and they are cost efficient to use.

The ongoing global personalisation trend has raised consumer interest in charms and other customisable jewellery. Customisable jewellery gives customers the opportunity to create individual designs. Not just global international brands, but local French companies such as Agatha Paris too, have added charms lines to their collections. In 2013, Agatha Paris launched its new concept charms, the so called sliding charms. There is still room for creative customisable techniques to be introduced onto the market.



Agatha Paris sliding charms, [link](#)

Tip:

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

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 9: 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 costume 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 Costume jewellery in France 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>
- Market research company Euromonitor, URL: <http://blog.euromonitor.com>
- Comité Francéclat, URL: <http://www.ecostat-franceclat.fr/>

Trade Shows

- The International Fine Fashion Jewellery & Watch Show, URL: <http://www.bijorhca.com>
- [Costume jewellery and accessories Trade Fair Bijoutiful](http://expo-nimes.com/exposer/bijoutiful), URL: <http://expo-nimes.com/exposer/bijoutiful>



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