



KEA

EUROPEAN AFFAIRS

Development of a Regional Export Strategy for the Creative Industries Services

Value Chain Analysis Report: JEWELLERY

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List of Acronyms

CARICOM	Caribbean Community – regional institution comprising 15 member states
CARIFORUM	CARICOM plus the Dominican Republic.
Caribbean Export	Caribbean Export Development Agency
CCIs	Cultural and Creative Industries
CDB	Caribbean Development Bank
EC	European Commission
EU	European Union
EU-28	European Union (including 28 Member States)
Eurostat	Statistical Office of the European Union
GDP	Gross Domestic Product
ITC	International Trade Centre (UN)
IDB	Inter-American Development Bank
LAC	Latin America and Caribbean
OECD	Organization for Economic Cooperation and Development
OECS	Organization of Eastern Caribbean States
SME	Small and medium-sized enterprise
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
VC	Value Chain
VCA	Value Chain Analysis

Country Abbreviations for EU Member States selected for this project:

DK	Denmark
DE	Germany
EE	Estonia
ES	Spain
FI	Finland
FR	France
IT	Italy
NL	Netherlands
UK	United Kingdom



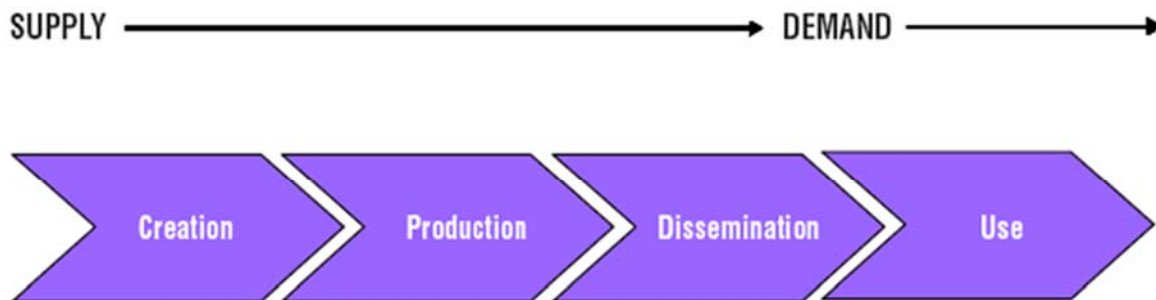
1. Introduction

1.1. Definition of Value Chains

A value chain, also referred in the framework of the Cultural & Creative Industries (CCIs) as a 'creative chain', has been described as *"a sequence of activities during which value is added to a new product or service as it makes its way from invention to final distribution"* (Botkin and Matthews 1992, p. 26).

The **creative chain** consists of an initial creative idea, which is usually combined with other inputs to produce a culture good or service, through a series of interlinked stages between their production and use. A culture product must be created, produced, possibly manufactured or reproduced, and then distributed before it reaches, or is used by, a consumer. This chain of activity includes a number of distinct steps, usually occurring in business establishments.¹ The basic steps of the creative chain are shown in the figure below.

Figure 1: Basic Creative Chain



In this basic chain, “creation” incorporates “concept” & “design”, while “dissemination” includes marketing, sales, distribution and the other value-added activities that occur prior to use/consumption. Accordingly, the chains will differ according to the good or service, the targeted markets and other factors. However, in order to collect harmonised and, when possible, comparable data, we are going to use a simple value chain as a framework of analysis (linear value chain). Nevertheless, we consider the local ecosystem as a key factor influencing CCIs’ supply chain and their performance. The value chain’s analysis will therefore include the analysis of the policy environment, measures and key actors enabling the sector’s development and growth.

In elaborating on these chains, special emphasis will be placed on determining the existence of and/or practical scope for integration of complementary inputs at any point along the chain, from differing CARIFORUM member states up to and including the final stage of the chain.

¹ Canadian Framework for Cultural Statistics (2011).



On this basis, this report considers the value chains using a two-fold approach: analysis of the **supply (CARIFORUM) side**, and analysis of the **demand (EU) side**.

With regards to possible business cooperation opportunities in the target EU markets, attention has been given, where possible, to the following *inter alia*: EU distributor or agent (including marketing and promotional activities); joint-ventures and e-commerce platforms - both Business-to-Consumer (B2C) and Business-to-Business (B2B).

1.2. Sectoral Scope: CARIFORUM Jewellery - Services and Goods

For this consultancy, 6 CIs were selected for study of their value chains reflecting both goods and services: **Music (recorded and live), Film, Fashion, Jewellery, Painting, and Arts & Craft.**

To determine the goods and services that fall within these sub sectors, the team utilised a combination of the definitions used for the CCIs in UNCTAD Creative Economy Report 2010, the UNESCO Framework for Cultural Statistics (FCS) as well as the KEA report of 2006 on the Economy of Culture.

UNCTAD divides the cultural and creative sector in seven categories: (i) Art Crafts which includes carpets, celebration, paperware, wickerware, yarn and other; (ii) Audio Visuals which includes film, CD, DVD, tapes; (iii) Design, which includes architecture, fashion, glassware, interior, jewellery and toys; (iv) New Media which includes recorded media and video games; (v) Performing Arts, which includes musical Instruments and printed music; (vi) Publishing which includes books, newspaper and other printed matter; (vii) Visual Arts which includes antiques, paintings, photography, and sculpture.

Table 1: Related Services and Goods for Jewellery

Related Services	Related Goods
Jewellery design	Jewellery

1.3. Geographical Scope: CARIFORUM and European Union

The geographical scope of the project includes all 16 CARIFORUM countries: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Dominican Republic, Haiti, Grenada, Guyana, Jamaica, Montserrat, St. Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.



On the EU side, the Consultancy considers selected markets of the European Union to explore trade opportunities: Denmark, Estonia, Finland, France, Germany, the Netherlands, Spain, Sweden and the United Kingdom (9 Member States).

1.4. Methodology

The methodology employed in this Consultancy combined desk research, face-to-face interaction, online surveys as well as virtual communication in order to achieve the expected results.

This multifaceted approach is summarised below:

- Overview of CCIs locally and examination of export opportunities along the value chain:
 - o Desk research to collect preliminary data (quantitative and qualitative) on the export value chains of the selected sub sectors of the CCIs in Caribbean countries, and to gather information on target markets for exports (EU countries).
 - o Meetings with stakeholders, where necessary to supplement the desk research.
- Comprehensive mapping of the value chains for the CCIs in selected EU Member States, and identification of opportunities for CARIFORUM CCIs – using a combination of an online survey, desk research and fieldwork.
 - o Online questionnaire (survey) was designed in SurveyMonkey for use across the Caribbean by the core team and Local Exports in consultations with creative practitioners.
 - o Fieldwork at local level was conducted by the network of Local Experts, under the guidance of VPAJ, each with responsibility for collecting data, assessing the specific situation, engaging with potential stakeholders, and recording their views. This equivalent work in the EU member states was conducted by KEA.
- **Road map** for enhancing the competitiveness of CCIs in entering the value chain which considers export growth potential and existing bottlenecks, with accompanying **strategy and action plan** to address the constraints faced by CARIFORUM CCIs practitioners in their exports. Wherever possible, this references international best practices, and puts forward recommendations for CARIFORUM CCIs, including niche markets, important festivals/trade fairs, key actors for partnerships at international level as well as cooperation arrangements for mutual benefit (e.g. joint ventures, visibility in partners' markets, twinning and exchange programmes etc.). As relevant, the strategy also provides recommendations on potential clustering opportunities in CARIFORUM countries to e.g. develop joint marketing strategies, lower export costs, and improve the visibility of their products and services in priority markets.
- Through industry validation of this Final VCA Report, the team will make the necessary



adjustments to correct for errors or oversights, and to reflect critical additional input.

Survey respondents

The following discussion is based on the results collected through this survey exercise for the 35 professionals who specified 'Jewellery' as their *main* industry. They are based in 15 of the 16 CARIFORUM countries.

Only in some instances is the full survey dataset discussed: 410 creative professionals involved in the 7 CCIs/sub-sectors, based in 15 CARIFORUM countries (as of 31st May 2015).

Methodological limitations

The most significant methodological limitation has been the varying – and at times, small – numbers of creative professionals who participated in the survey. The resultant sample size at times limited the authors' abilities to reach conclusions for some of the survey questions. The authors therefore hereby acknowledge that this report does not present a *definitive* characterisation of the CARIFORUM CIs, but rather provides a foundation upon which to build.

Reports

An **industry-specific Value Chain Analysis (VCA) Report** like this one has been drawn up for each of the six CIs under review - namely **Music (recorded and live), Film, Fashion, Jewellery, Painting, and Arts & Craft**. The results from each are aggregated into an overarching report, entitled "Development of a Regional Export Strategy for the Creative Industries Services: **Value Chain Analyses Final Report**". Whilst the latter includes some industry specificity, it is recommended that the relevant industry-specific VCA Reports are read in conjunction with the Final Report.

2. Mapping the Value Chains for CARIFORUM CCIs

As mentioned, this report considers the value chains for the selected CIs using a two-fold approach: analysis of the **supply (CARIFORUM) side**, and analysis of the **demand (EU) side**.

The value chains developed are based on the schematology of Film by Aarhus, Alexandra Institute and High Tech Accelerator Innovation Centre (2011). The industry-specific value chain for Jewellery is discussed in Section 3.2.1, and presented in Figure 2 with the survey respondents mapped to each activity. The actual number of respondent involved in each type of activity is given in the table in Annex 1.



3. Market Opportunities for CARIFORUM's Jewellery Industry

3.1. Trends in the EU for Jewellery

The EU is the world's second largest jewellery market, after the USA. White metals, platinum, precious stones, diamonds and pearls are popular, and yellow gold is popular again.

However, consumers have been cautious in their spending on precious jewellery. Branded jewellery has become a growing segment. This is particularly the case in Italy, where more than 30,000 companies are involved in the jewellery market and related services.² As for the export figures, Italy was the second largest EU exporter of jewellery (28%) and the second largest volume supplier (4,664 tonnes), after the UK (4,766 tonnes) in 2007.³ The jewellery sector is linked to others related sectors such as fashion, optical sector, accessories and handbags.⁴ Traditionally, the European jewellery market has been focused on the luxury sector but new trends are occurring such as the do-it-yourself jewellery,⁵ especially after the 2008 economic crisis and the decrease of jewellery sales. The jewellery market has been forced to decrease prices, although the luxury sector has been able to maintain its sales thanks to the tourism and exports opportunities with respect to both China and Russia.

More than a decade ago, the EU undertook to promote the modernization and development of its jewellery industry and founded the VI-JET project in 2002 to set up the European Jewellery Institute (EuJI) with a mission to improve the competitiveness of the European jewellery industry. Twelve EU Member States participated in the project and established a knowledge and expertise platform for the jewellery sector. In this platform a number of universities, research centres, training institutes and management consultancies worked closely together with the jewellery sector (SMEs and stakeholders). The main benefits of the work of the EuJI have been:

- European jewellery SMEs can access the most advanced technologies, contemporary design tools, innovative process features and products, the latest marketing techniques, training programmes and diagnostics methods on a previously non existing scale; and
- Networks of experts and local helpdesks have been set up to facilitate contact between SMEs, associations and institutions to extend the range of services offered.

The exchange of skills and constant sector monitoring will also provide noteworthy input to the European Commission for the development and promotion of research programmes, thus guaranteeing results of focused strategic value.

²http://ec.europa.eu/eurostat/statisticsexplained/images/2/29/Other_manufacturing_activities_%28NACE_Groups_36.2_to_36.6%29_Structural_profile%2C_EU-27%2C_2006_%281%29.PNG

³ CBI, the jewellery market in the EU, market survey, 2008, 58p,

⁴ Ibid.

⁵ Ibid.



According to the latest data from UNCTAD and EUROSTAT, the following data is available on the jewellery sector in the selected EU Member States:

Table 2: Facts and figures on the European Jewellery Industry

Import and Export of Jewellery under design sector (Year 2012) Unit: US\$ (million):

	DK	EE	FI	FR	DE	NL	ES	UK	IT (2011)	TOTAL
Export	222.6	8.3	24.6	3,550.2	1,396.5	278.6	105.1	545.2	6,363.8	12,494.9
Import	184.0	15.0	48.2	3,434.2	2,022.5	288.2	519.3	4,360.5	1,842.5	12,714.4

Source: UNCTADSTAT

Structural business statistics of the jewellery and related articles sector (Year 2012):

	DK	DE	EE	ES	FR	IT	NL	FI	UK	TOTAL
Number of persons employed	n/a	9,892	187	5,413	779	27,350	1,526	776	n/a	45,923
Number of enterprises	276	2,449	38	1,959	2,585	6,725	1,018	303	1,274	16,627
Turnover or gross premiums written (in million Euros)	n/a	982.3	7.0	569.9	1,612.6	5,409.8		73.0	864.6	9,519.2

Source: Eurostat

Structural business statistics of imitation jewellery and related articles sector (Year 2012):

	DK	DE	EE	ES	FR	IT	NL	FI	UK	TOTAL
Number of persons employed	88	1,162	n/a	1,530	n/a	3,424	n/a	60	n/a	6,264
Number of enterprises	43	211	2	464	5,262	1,522	476	44	96	8,120
Turnover or gross premiums written (in million Euros)	16.3	73.5	n/a	139.3	n/a	268.8	n/a	8.9	n/a	506.8

Source: Eurostat



Value of the production of manufactured goods (Year 2013) Unit: € (Million)

	DK	DE	EE	ES	FR	IT	NL	FI	UK	Total
Industrial diamonds, worked; dust and powder of natural or synthetic precious or semi-precious stones	0.2	0	0	0	n/a	5.8	0	0	0	6.0
Articles of jewellery and parts thereof of precious metal	44.4	384.0	1.7	244.6	617.7	1301.6	n/a	15.9	311.9	2,921.8
Articles of goldsmiths' or silversmiths' wares of silver	2.4	9.3	2.8	13.9	5.6	501.7	0	4.7	19.3	559.7
Articles of goldsmiths' or silversmiths' wares of precious metals, n.e.c.	0.4	13.1	0	0.7	:C	2494.5	n/a	0	n/a	2,508.7
Articles of goldsmiths'... wares of base metal clad with precious metal	0	7.7	0.3	5.1	12.9	296.2	n/a	0.1	6.8	329.3
Other articles of precious metal; articles of natural or cultured pearls, precious or semi-precious stones	0	39.9	0	n/a	15.0	196.3	0	0	108.4	359.7
Imitation jewellery and related articles	0.3	37.2	0	57.5	228.1	344.3	n/a	8.4	43.1	718.8

Source: EUROSTAT PRODCOM



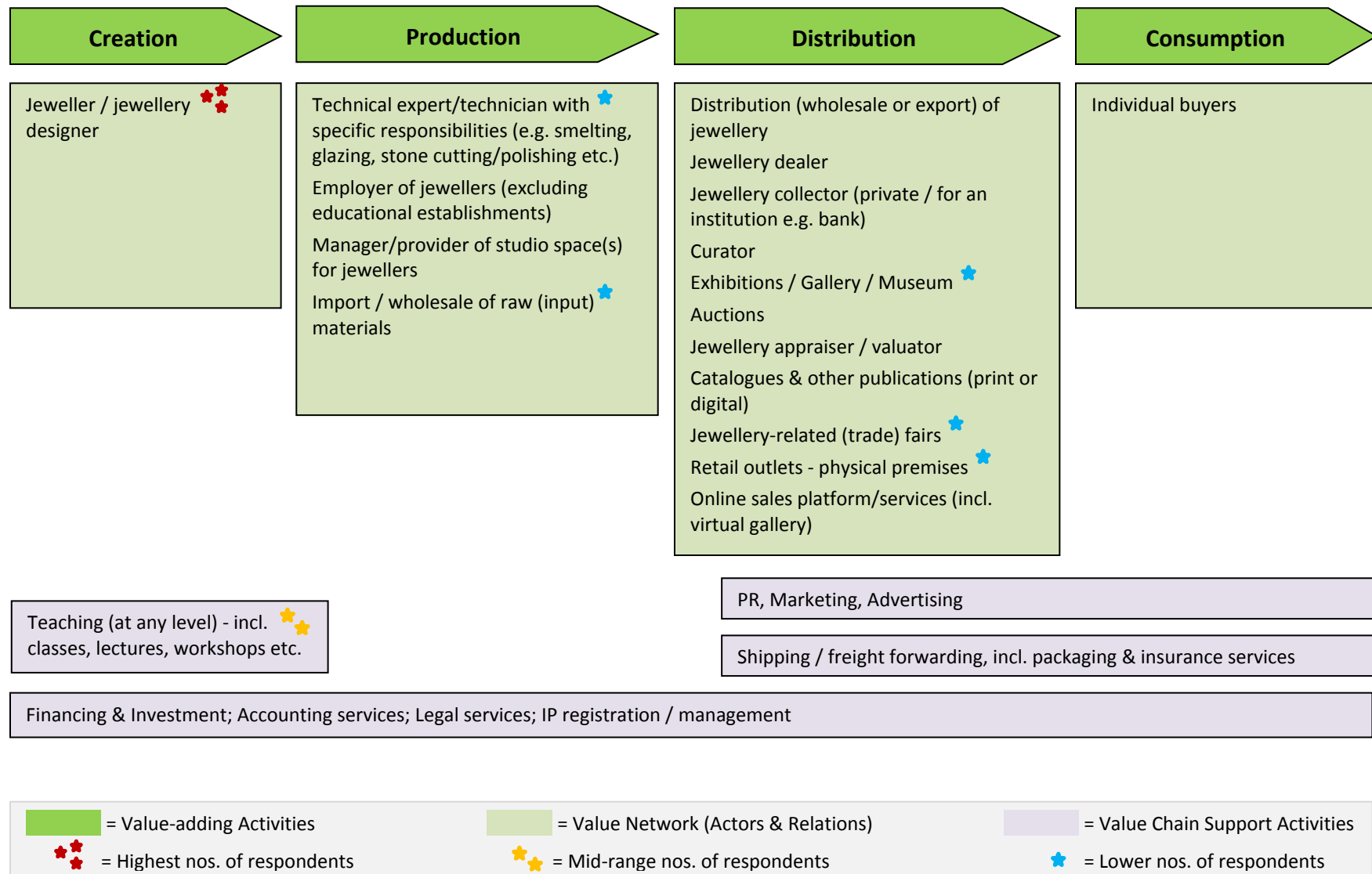
3.2. Trends in CARIFORUM for Jewellery

3.2.1 Characteristics of CARIFORUM Jewellery professionals

- Of the 35 Jewellery respondents, most are involved in the “creation” stage; this is followed by Teaching. Their distribution along the CARIFORUM Jewellery value chain is illustrated in Figure 2; and the actual number involved in each type of activity is given in the table in Annex 1.
- A number of Jewellery professionals also work in the other CCIs under review – most notably ‘Arts & Craft’ and ‘Fashion’ (in “creation”, some aspects of both “production” and “distribution”).
- 90% of respondents fully own their business; and 70% have their business registered under their country’s national law.
- 55% of respondents work in their business full-time, 45% part-time.
- Almost 30% have full-time (FT) employees, of whom the majority had 1-4 FT employees (55%) followed by 5-9 FT employees (33%). By contrast, more than 60% had part-time (PT) employees; and of these, 90% had 1-4 PT employees, and 5% had 5-9 PT employees. One respondent had 21+ FT employees; one respondent had 21+ PT employees.
- 70% of respondents provide both Jewellery-related services and goods (whether physical or ‘intangible’ (virtual, digital); and the remaining 30% only goods. None of the respondents provide only service(s).



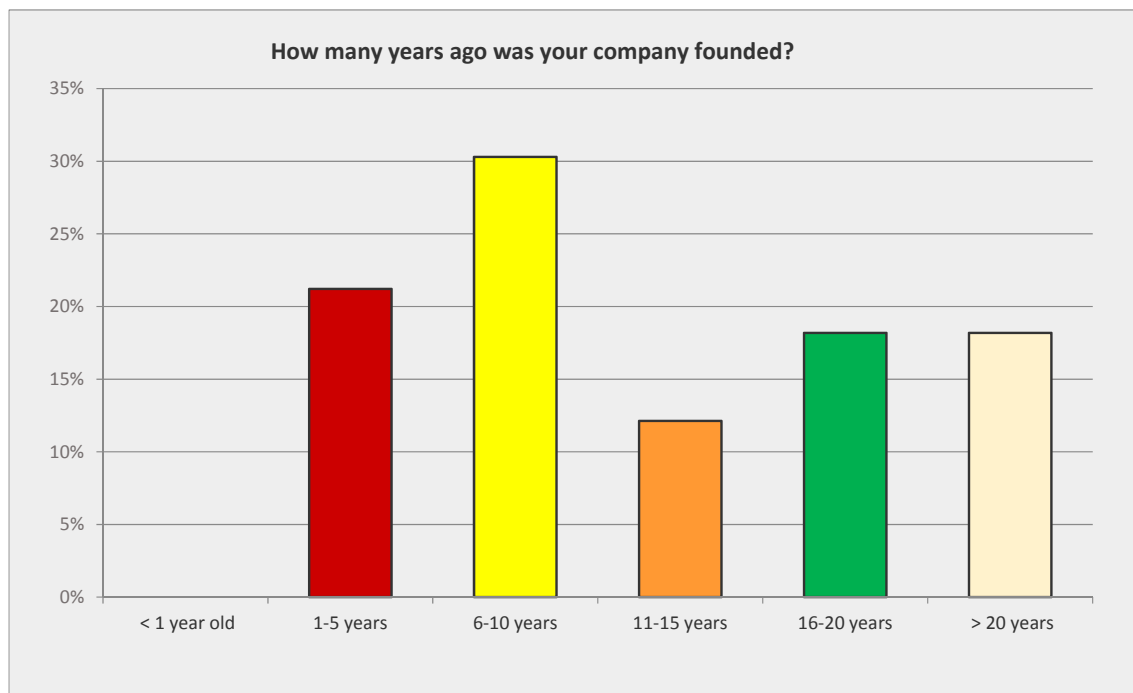
Figure 2: Mapping of respondents along Value Chain for CARIFORUM Jewellery





- There is considerable variation in the longevity of respondents businesses, from < 1 year to 45 years. The majority however fall within the 1-5 year and 6-10 year ranges.

Figure 3: Company age range for CARIFORUM Jewellery respondents



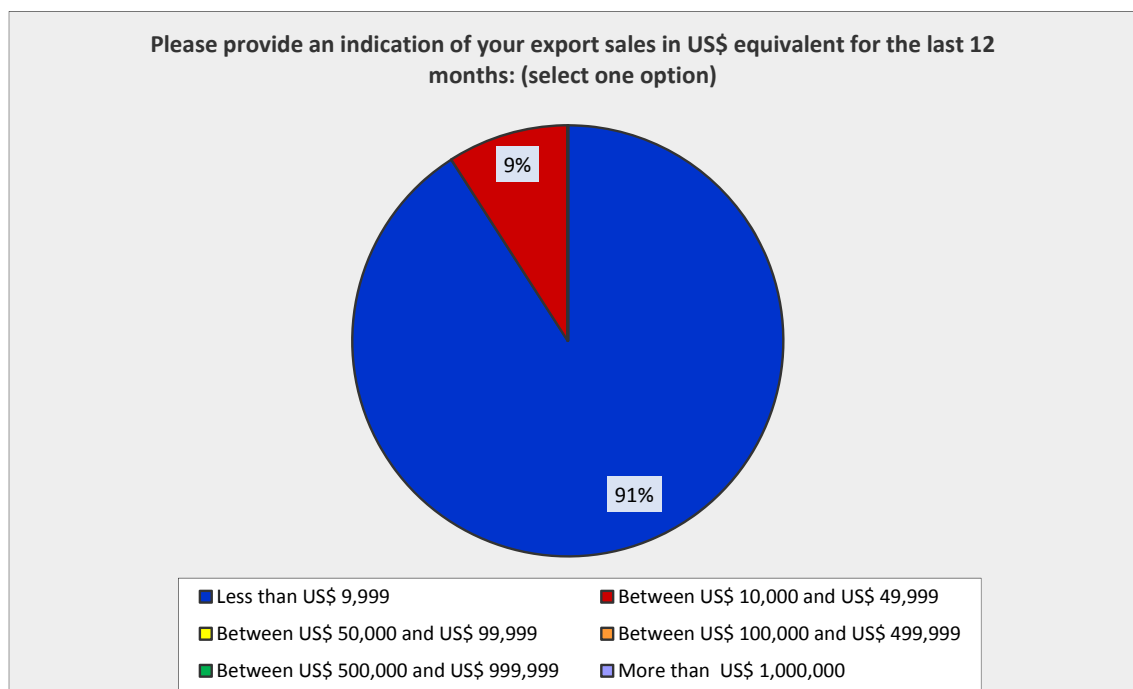
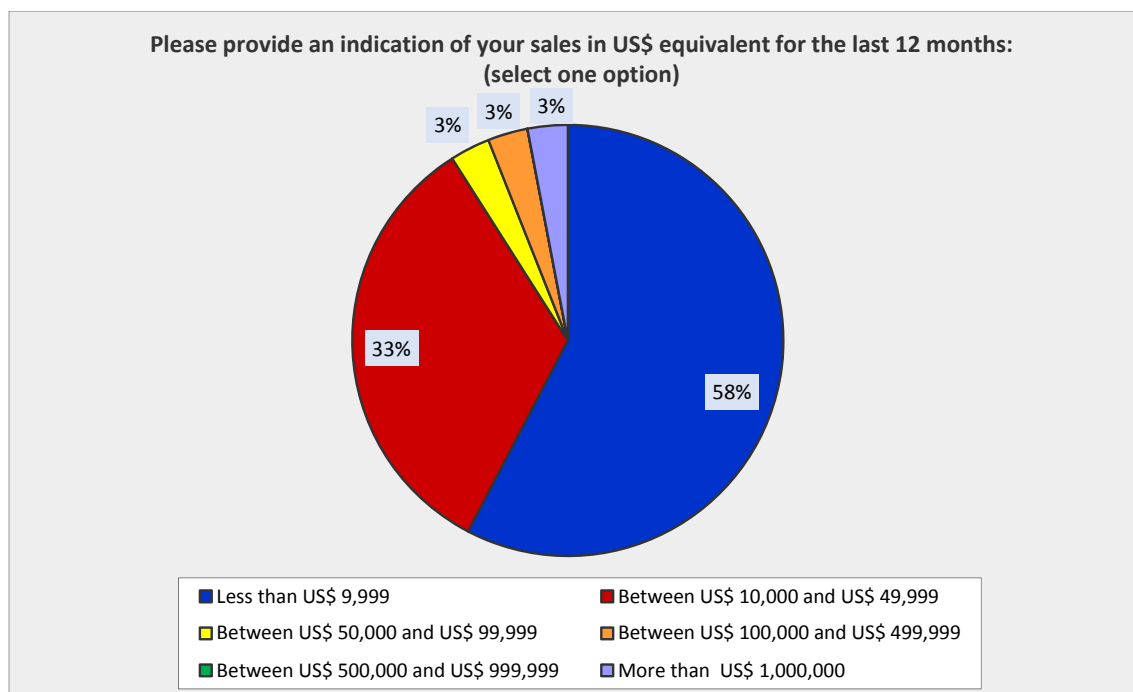
- In terms of their last 12 months, 58% of Jewellery respondents recorded sales of < US\$ 9,999; 33% of US\$ 10,000 - US\$ 49,999. 1 respondent (3%) recorded of US\$ 50,000 - US\$ 99,999, another of US\$ 100,000 - US\$ 499,999, and yet another of > US\$ 1 million. This is illustrated in Figure 4, along with the export sales of Jewellery.

3.2.2 Current export activities of CARIFORUM Jewellery professionals

- Considering their *exports* for the last 12 months, 91% of respondents indicated sales of < US\$ 9,999; the remaining 9% of US\$ 10,000 - US\$ 49,999. As such, it can be seen that exports do not currently constitute a major component of sales for the Jewellery professionals who responded to this survey exercise.



Figure 4: Comparison of total and export sales for CARIFORUM Jewellery respondents

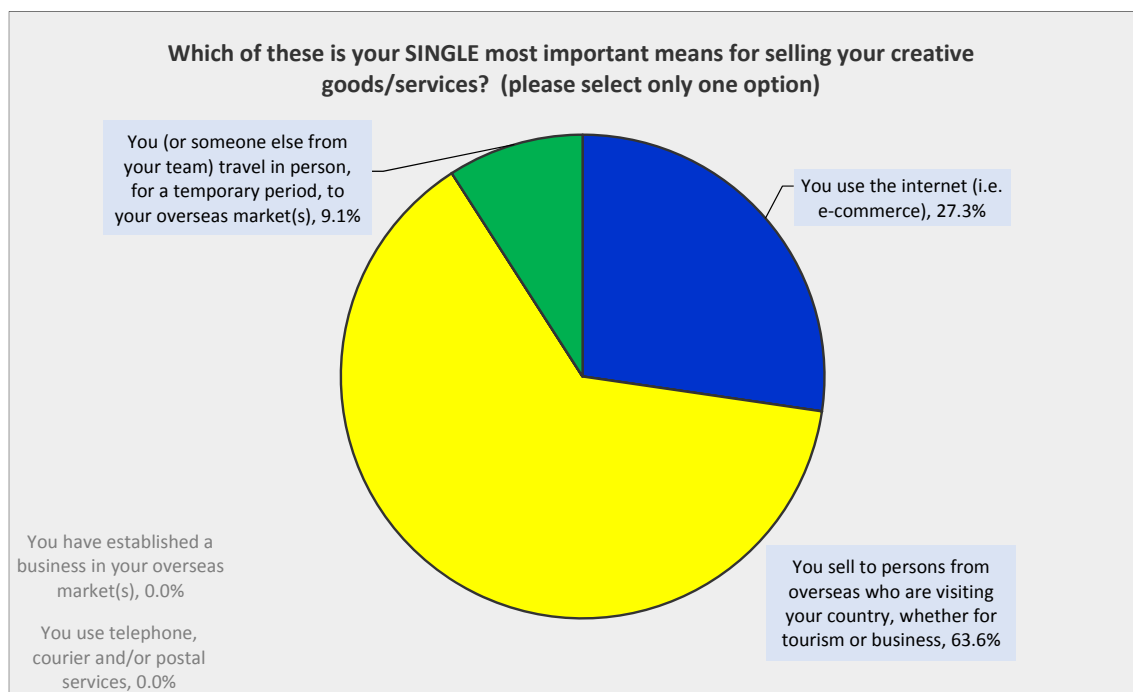


- Almost 70% do not have an Export Strategy for their business, the other 30% do.
- Only 35% of respondents are currently exporting; and they use three of the five export modalities to deliver/sell their creative goods/services, promote and otherwise transact business. None of the respondents selected 'You use telephone, courier and/or postal services' or 'You have established a business in your overseas market(s)'.



The following Figure 5 indicates the relative use of the three export modes considered most important by CARIFORUM's Jewellery professionals to sell their goods/services.

Figure 5: Most important export modes for CARIFORUM Jewellery professionals

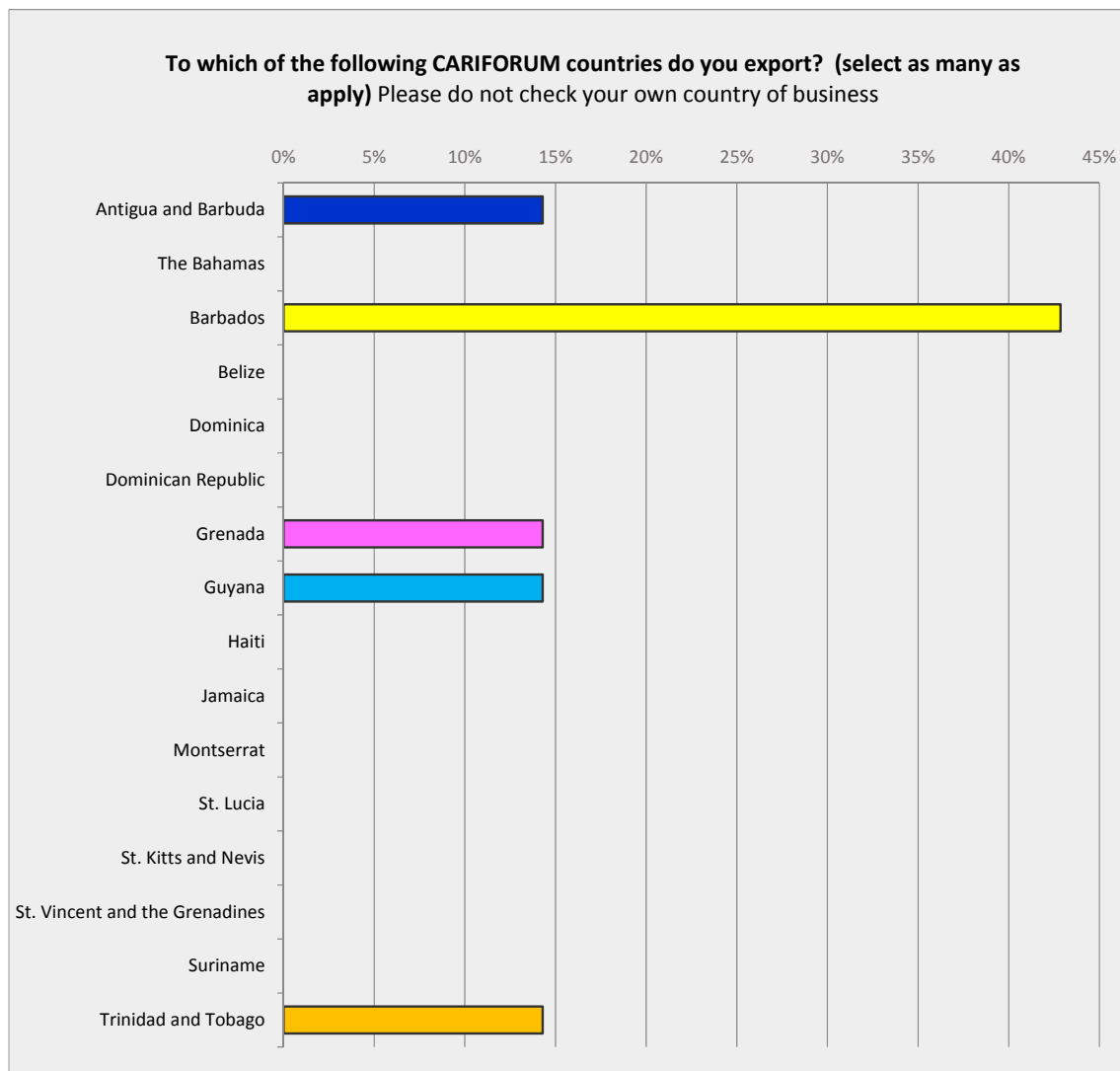


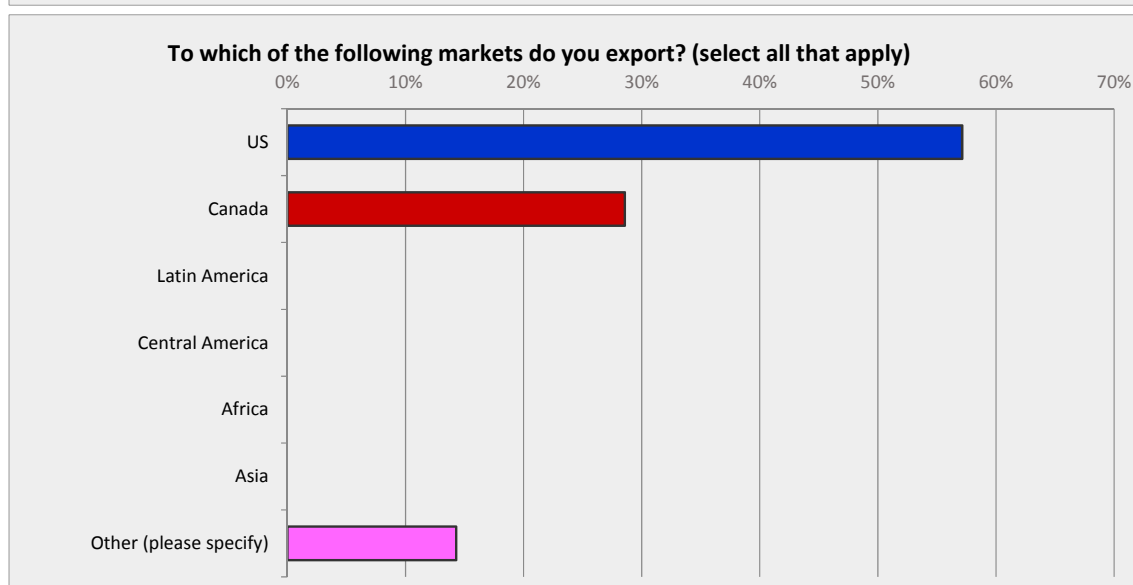
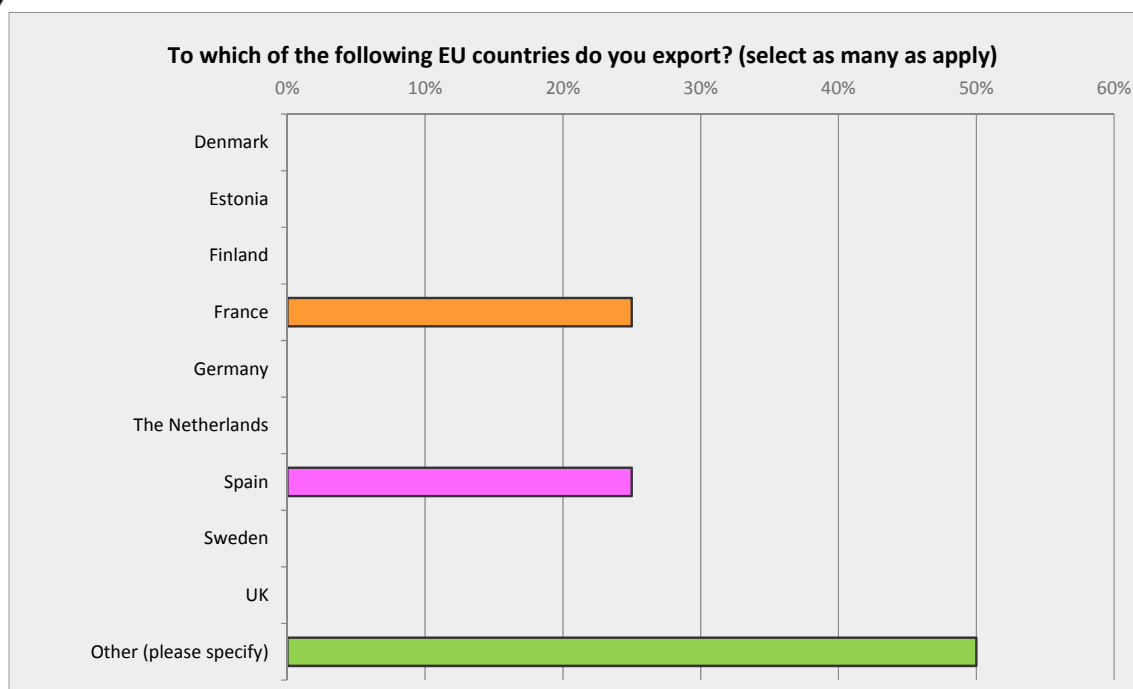
- Several respondents have their own websites; and there is widespread use of social media - in particular, Facebook (> 70% of respondents), and LinkedIn (>20%). Also used but to a lesser extent, are Twitter and Instagram.
- For those who export: (countries listed in decreasing order of popularity)
 - o 30% do so to another country in CARIFORUM; with Barbados being the most popular. There are also some exports to a number of other countries in the region.
 - o 30% export to a country in the EU, in particular France and Spain.
 - o 35% export elsewhere in the world, with the US being the most popular followed by Canada.

The popularity of the individual countries for export is given in the bar charts in Figure 6. The % is the number of respondents exporting to the country as a proportion of the total number exporting to that region. As some of the absolute values are small, only the relative ranking of countries is discussed above.



Figure 6: Prevalence of exports to CARIFORUM, EU and other markets by CARIFORUM Jewellery professionals





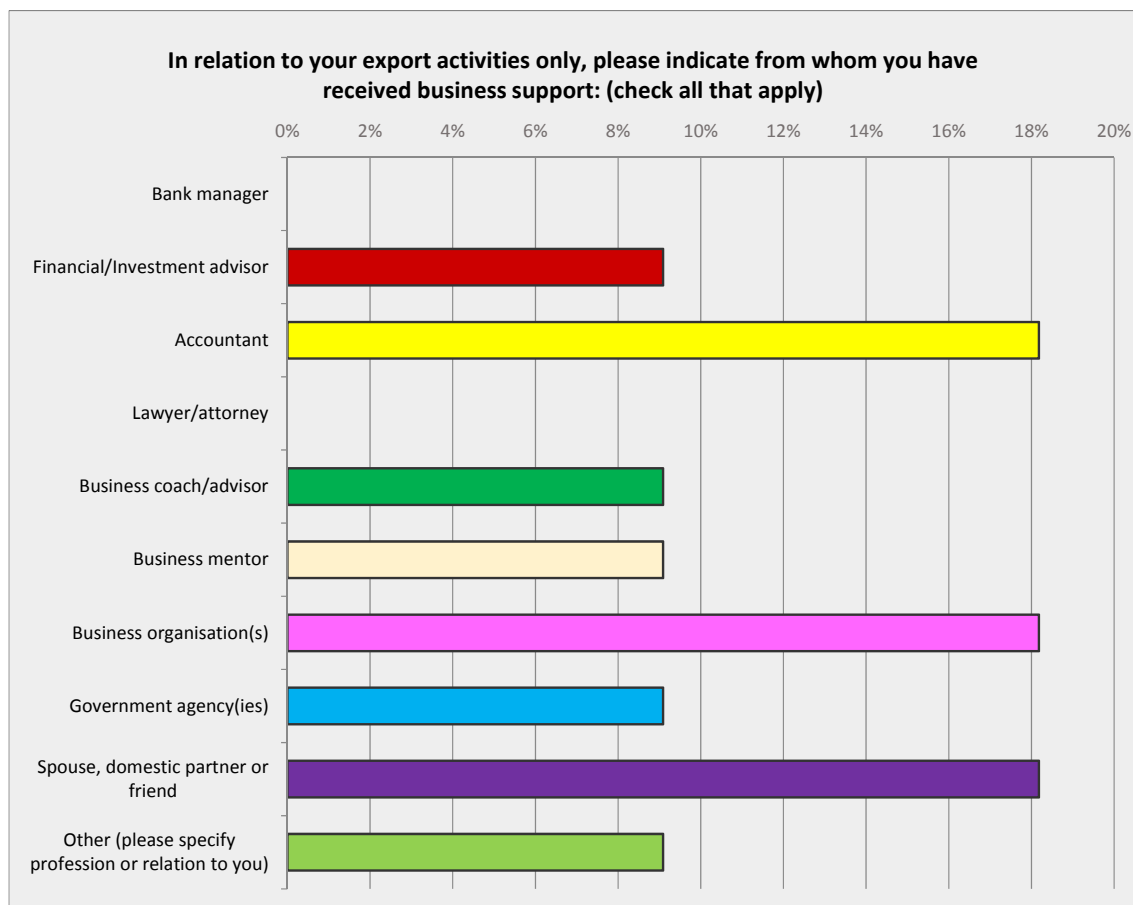
- Of the almost 65% respondents who are not currently exporting, more than 50% have never tried; and the remainder, in equal numbers, have 'tried but stopped' or 'tried without much (any) success'.
- Of note, more than 80% of respondents who are not currently exporting would be interested in starting (or resuming) their exports. The rest (<20%) are not yet interested. No respondents stated that they are not interested at all in exporting.



3.2.3 Export support framework for CARIFORUM Jewellery professionals

- More than 80% of respondents noted that they do not receive business support from anyone specific for their export efforts. For those who have, support has come predominantly from an accountant, business organisation, or spouse/domestic partner or friend. This is indicated in Figure 7.

Figure 7: Sources of support used by CARIFORUM Jewellery professionals for their export activities



- 50% of CARIFORUM Jewellery respondents belong to a business organisation, whether local/national, regional or international. For most, this is an 'industry-specific association, network, alliance, or group'; followed by 'entrepreneurs/business owners' organisation'. For most, this membership has boosted their export efforts through support including information (including events overseas), workshops and seminars, networking, collaborative opportunities to access new markets.



4. Bottlenecks along the Jewellery Value Chain

Due to the small size of the domestic markets in nearly all CARIFORUM countries as well as the persistent decrease in local demand, there is need for considerable expansion of foreign markets. Whilst there is scope for the increase of creative exports to the EU, numerous challenges are noted.

4.1. Export challenges facing CARIFORUM Jewellery professionals

- 60% of respondents have experienced challenge(s) to their creative exports, to greater or lesser extent. As indicated in the table below, the challenges considered most (and equally) severe are 'Lack of information on trade fairs, festivals etc in export markets', 'Lack of public support to attend trade fairs, festivals in export markets', and 'Lack of access to financing for export activities'.

Table 3: Rating of export challenges by CARIFORUM Jewellery professionals (no. of respondents)

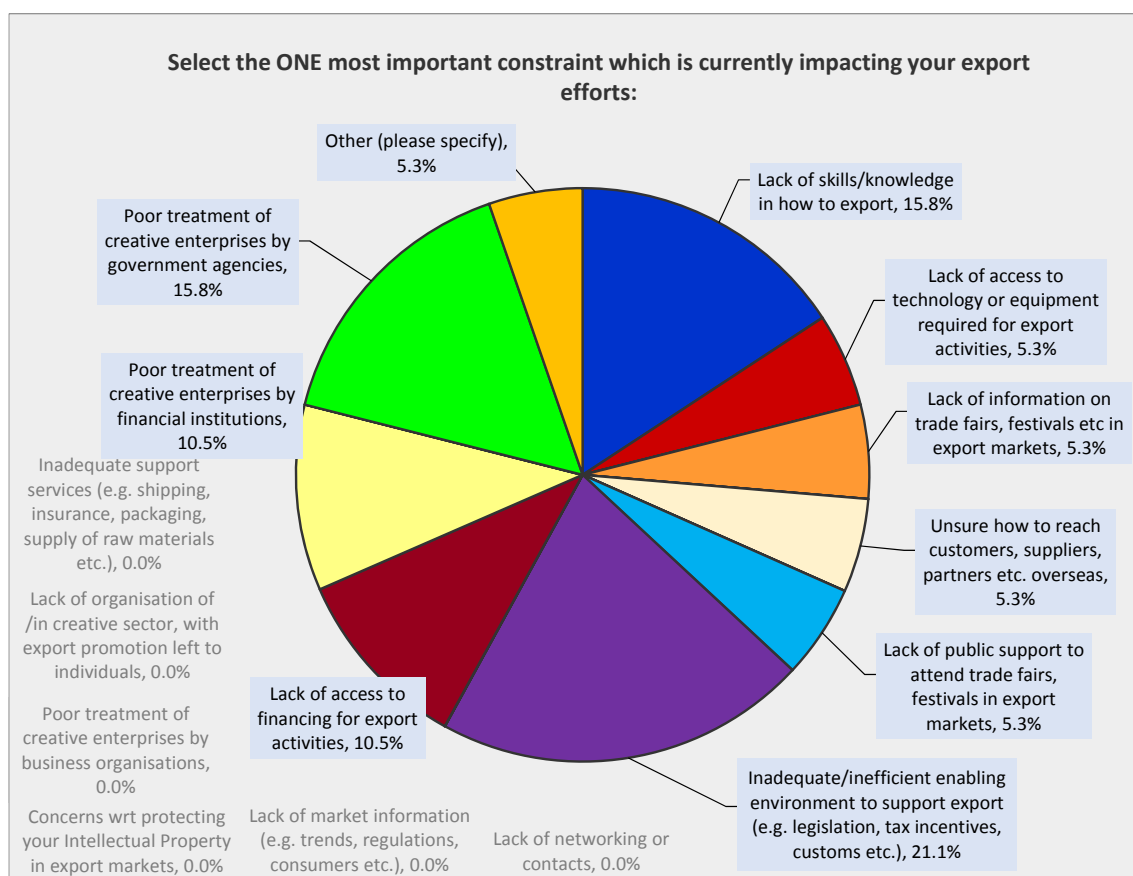
From your own experiences, how would you rate the following challenges to your export efforts?					
Answer Options	Not very important	Quite important	Very important	N/A	Rating Average
Lack of skills/knowledge in how to export	5	10	4	0	1.95
Lack of access to technology or equipment required for export activities	10	4	5	0	1.74
Lack of market information (e.g. trends, regulations, consumers etc.)	6	4	8	1	2.11
Lack of information on trade fairs, festivals etc in export markets	3	2	12	2	2.53
Lack of networking or contacts	3	6	9	1	2.33
Unsure how to reach customers, suppliers, partners etc. overseas	4	6	9	0	2.26
Concerns wrt protecting your Intellectual Property in export markets	8	6	4	1	1.78
Lack of public support to attend trade fairs, festivals in export markets	2	4	12	1	2.56
Inadequate/inefficient enabling environment to support export (e.g. legislation, tax incentives, customs etc.)	3	6	9	1	2.33
Inadequate support services (e.g. shipping, insurance, packaging, supply of raw materials etc.)	5	5	9	0	2.21
Lack of organisation of /in creative sector, with export promotion left to individuals	1	6	12	0	2.58
Lack of access to financing for export activities	2	8	9	0	2.37
Poor treatment of creative enterprises by	3	5	10	1	2.39



financial institutions					
Poor treatment of creative enterprises by business organisations	4	7	7	1	2.17
Poor treatment of creative enterprises by government agencies	2	7	10	0	2.42
No. respondents = 19					

- As shown in Figure 8, the single most important export challenge facing CARIFORUM Jewellery professionals is 'Inadequate/inefficient enabling environment to support export (e.g. legislation, tax incentives, customs etc.)' (noted by 21% of respondents). This is followed by 'Lack of skills/knowledge in how to export' and 'Poor treatment of creative enterprises by government agencies' (both noted by 16% of respondents)

Figure 8: Most important export challenges facing CARIFORUM Jewellery professionals

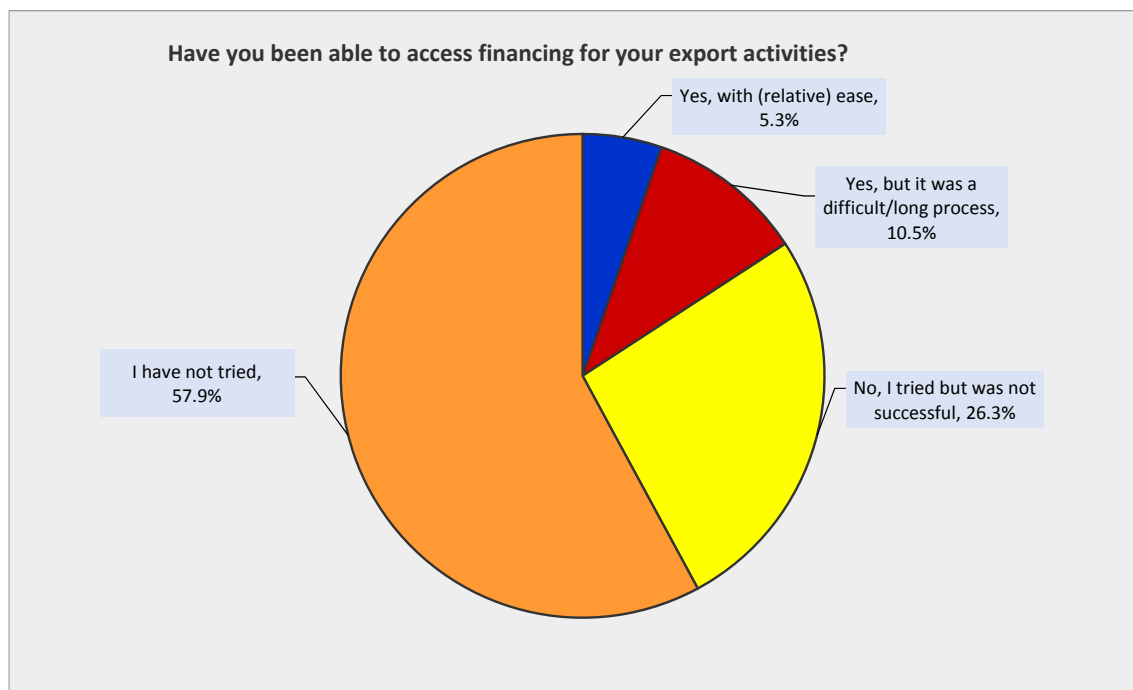


- The following were not noted by any of these Jewellery professionals as their *single* most important export constraint:
 - o Lack of networking or contacts
 - o Lack of market information (e.g. trends, regulations, consumers etc.)
 - o Inadequate support services (e.g. shipping, insurance, packaging, supply of raw materials etc.)



- Lack of organisation of/in creative sector, with export promotion left to individuals
 - Poor treatment of creative enterprises by business organisations
 - Concerns wrt protecting your Intellectual Property in export markets
- As relates to accessing financing for export, only 5% of respondents have been successful, with (relative) ease as depicted in Figure 9. By contrast, 11% were successful but after a difficult/long process; 26% tried but were not successful; and 58% have not tried.

Figure 9: Experience of CARIFORUM Jewellery professionals to access export financing



- The most important challenges in terms of export-related financing is 'Lack of suitable options available', followed by 'You were unable to meet the lender's security/collateral requirements'. The ratings of the various export financing challenges are presented in Table 4 below.



Table 4: Rating of export financing challenges by CARIFORUM Jewellery professionals (no. of respondents)

Specific to finance for exports, how would you rate the following in terms of their importance?					
Answer Options	Not very important	Quite important	Very important	N/A	Rating Average
Lack of suitable financing options available to you	0	0	5	0	3.00
You were unable to meet the lender's security/collateral requirements	0	0	4	1	3.00
Lender was not satisfied with the state/quality of your business documentation	0	0	3	2	3.00
Lender approved a loan but the amount was too low	0	1	2	2	2.67
Lender approved a loan but the term was too short	0	1	2	2	2.67
Lender approved a loan where the conditions were otherwise unacceptable	0	0	3	2	3.00
No. respondents = 5					

- 32% of respondents did not have to access to venture capital as an option to finance their business's export growth efforts, and 53% unsure. [Only 3 respondents did have access to venture capital]

4.2. Challenges within EU for CARIFORUM Jewellery

According to the sector report prepared by the CBI in the Netherlands, the sluggish economic development in 2013 had a negative impact on the production and import of jewellery and accessories in Europe. France, the UK, Germany, Italy and Spain were the leading importers.

The total imports of jewellery and accessories into Europe amounted to a total value of € 16 billion - 18% originated from developing countries, such as, China (33%), Thailand (30%), India (17%), Turkey (10%), Vietnam (2%), Mauritius (1%), Philippines (1%) and Mexico (1%).⁶

Exporters from the Cariforum countries are advised by the CBI to focus on supplying the important (in terms of production and consumption) European markets such as France, Italy, Germany and the UK. There are opportunities to export costume and bridge jewellery to these countries, driven by consumer demand for more affordable jewellery. In Estonia and other Central and Eastern European countries there is a growing demand for gold and

⁶ Source: Eurostat (updated in September 2014)



silver jewellery. The CBI warned against the declining jewellery market in Spain due to their economic crisis.

Caribbean operators in the jewellery sector interested in entering the European market should take the following actions according to the CBI:

Consumption:

- Target leading consuming markets in Europe both directly and indirectly (for example through wholesalers in the UK and the Netherlands).
- Approach markets with value-for-money products (creative and modern designs for reasonable prices).
- Understand the target consumer: 1) be up to date on the latest design trends globally and in Europe: 2) research the buyers' taste.⁷

Production:

- Target the leading producing countries such as Italy, France and Germany to offer jewellery elements, beads and stones.
- Cooperate with retailers that have their own collections, small unbranded jewellers, and independent artisans.
- Understand the production focus in terms of design and taste of each European country.

Importation:

- Target countries with solid-in-country demand for jewellery such as France, the UK and Germany.
- Approach Europe with a competitive price offering.
- Offer appealing jewellery in terms of design. Try to integrate ethnical elements to attract European consumers with ethnic taste.

⁷ Read more in the CBI Product Factsheets for Jewellery. See www.cbi.eu



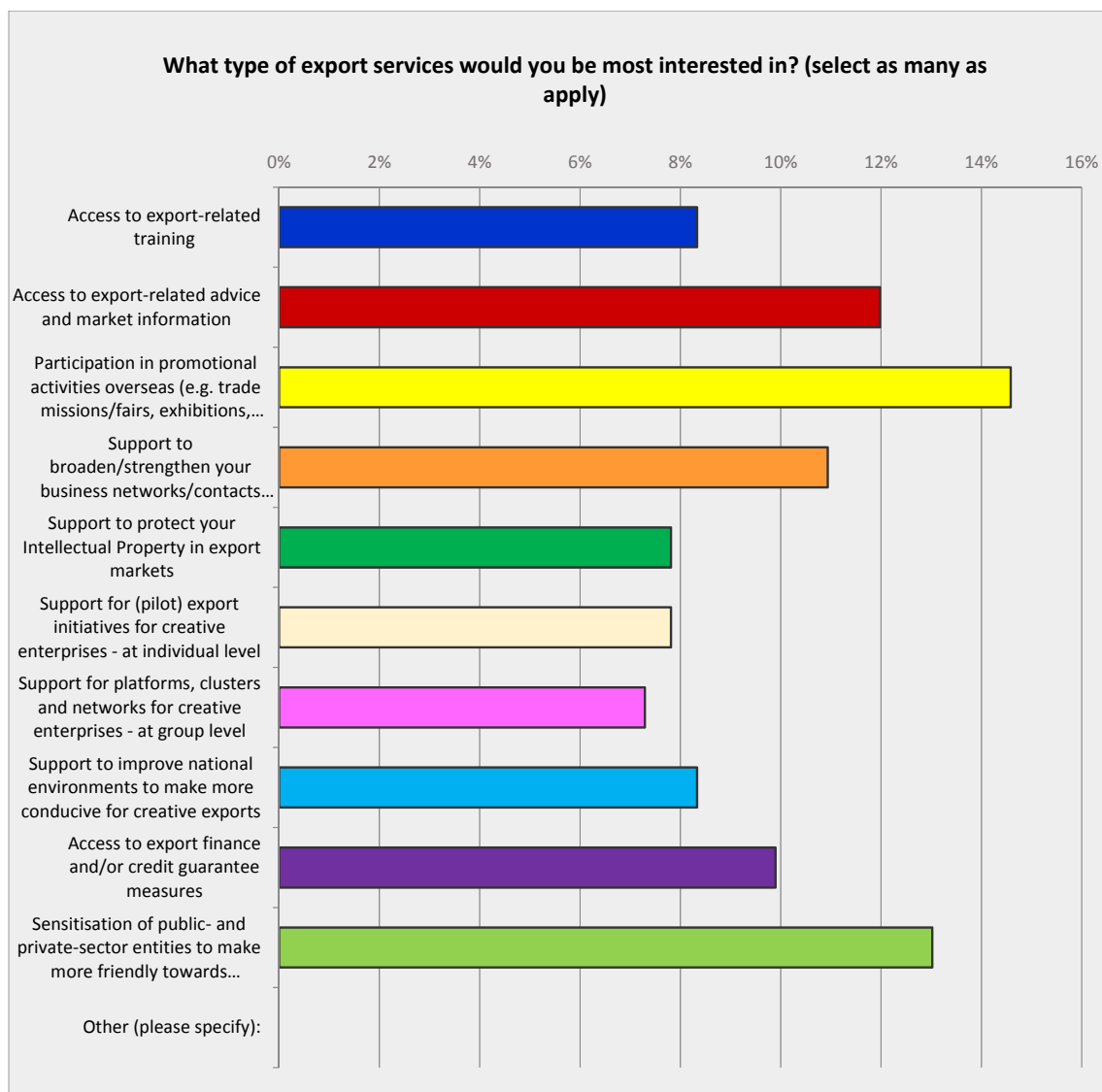
5. Recommendations to Boost Export of CARIFORUM Jewellery

5.1. Improving export support for CARIFORUM Jewellery professionals

- As previously noted, almost 70% of respondents who are not currently exporting would be interested in starting (or resuming) their exports.
- > 95% of respondents noted their interest in accessing support services to boost their creative exports. [The respondent who was not interested added that s/he was re-thinking the business.] As illustrated in Figure 10, when given a selection of possible export-related services:
 - o The most popular were: 'Participation in promotional activities overseas e.g. trade missions/fairs, exhibitions, festivals etc.' and 'Sensitisation of public- and private-sector entities to make more friendly towards creative enterprises' (selected by 15% and 13% of respondents respectively).
 - o These were followed by and 'Access to export-related advice and market information' and 'Support to broaden/strengthen your business networks/contacts overseas' and 'Access to export finance and/or credit guarantee measures' (each selected by 10-12% of respondents).



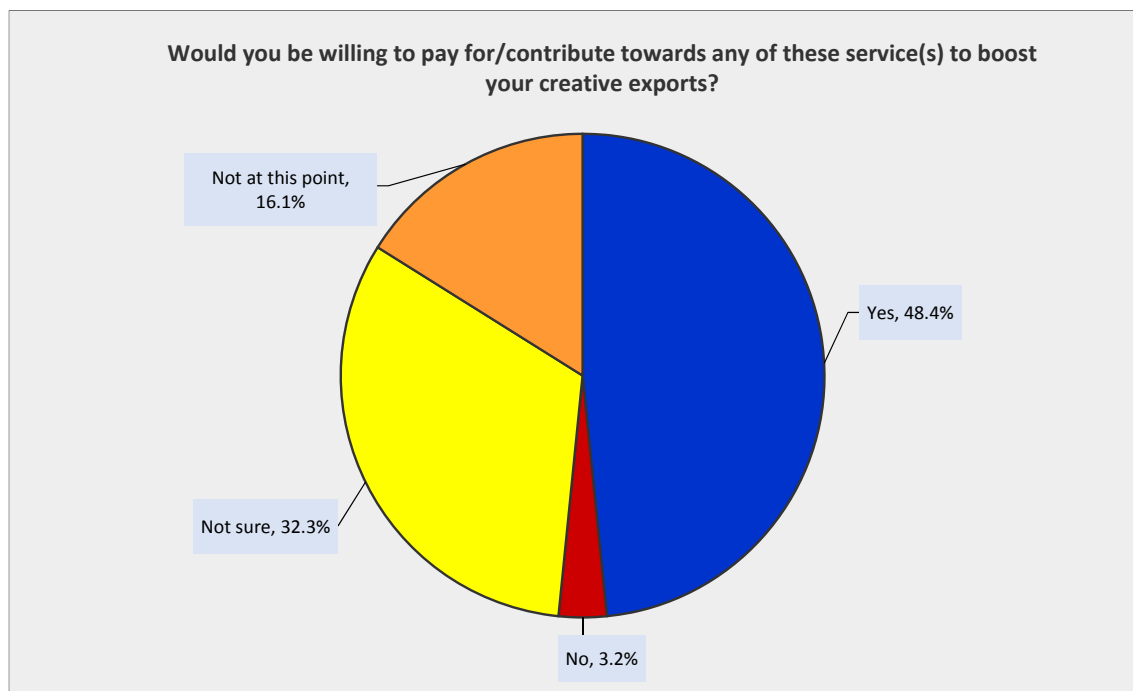
Figure 10: Prioritization of export services by CARIFORUM Jewellery professionals





- As shown in the following Figure 11, almost 50% stated that they would be willing to pay for/contribute towards such services at this point in time.

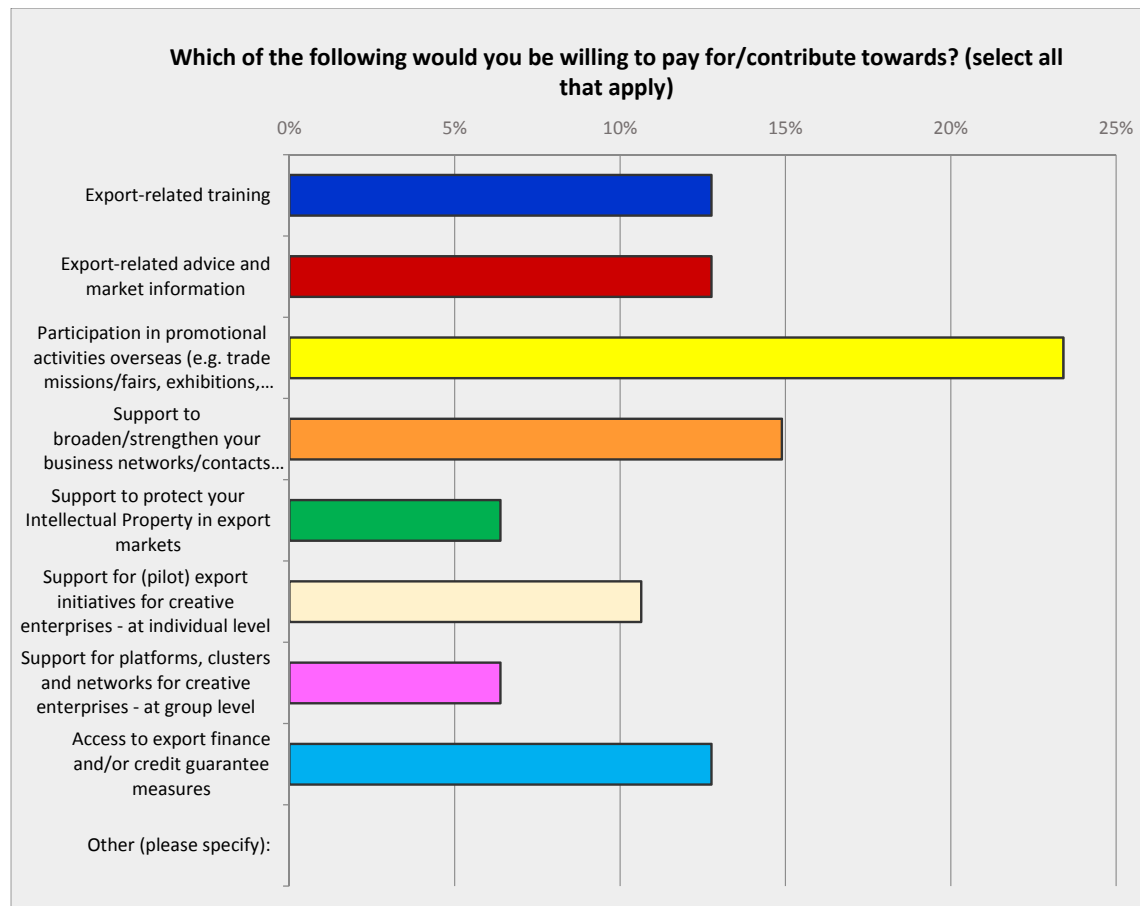
Figure 11: Willingness of CARIFORUM Jewellery professionals to pay for export-related services



- Of these export-related services, most of the respondents indicated that they would be willing to pay for/contribute towards 'Participation in promotional activities overseas e.g. trade missions/fairs, exhibitions, festivals etc.' (23%) and 'Support to broaden/strengthen your business networks/contacts overseas' (almost 15%). This prioritisation is indicated in Figure 12 below.



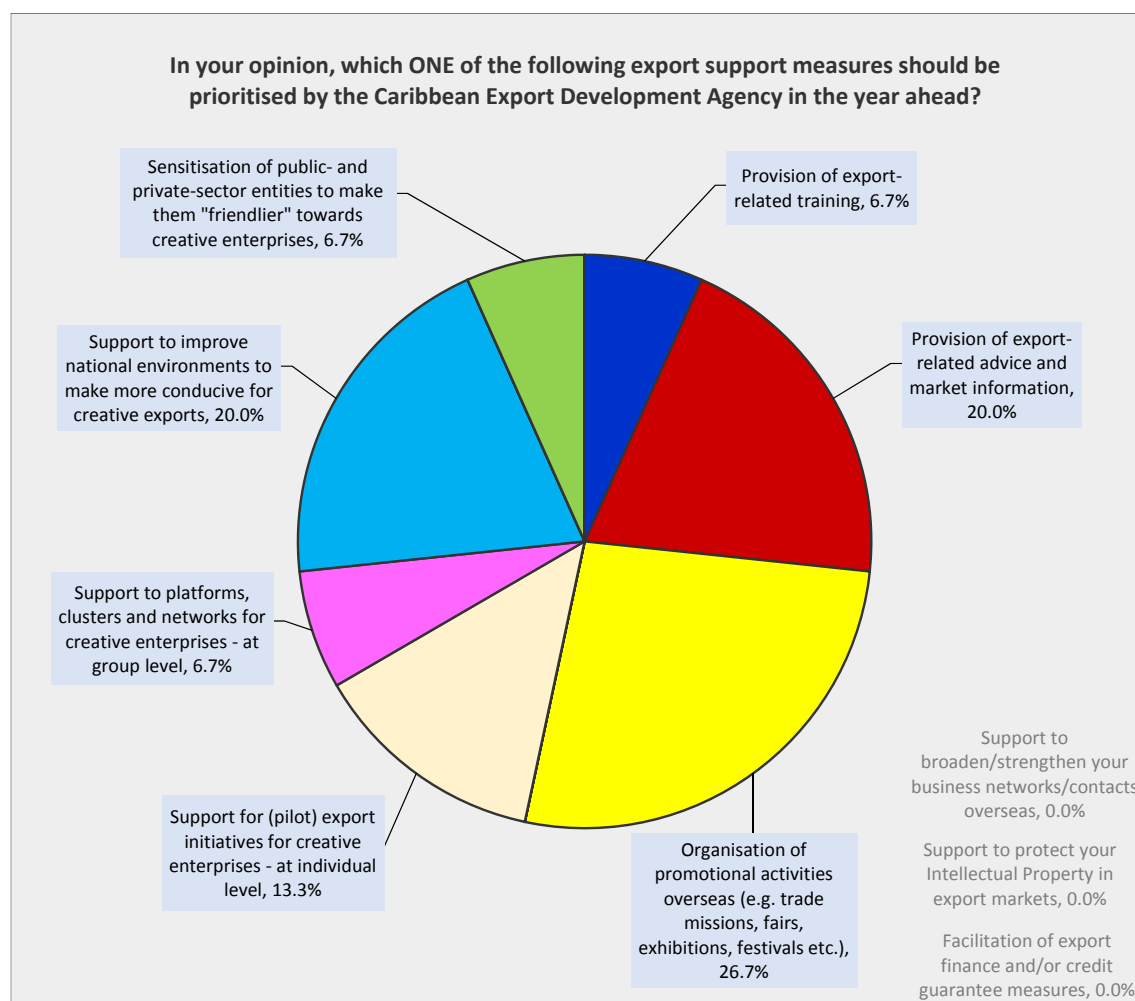
Figure 12: Export services for which CARIFORUM Jewellery professionals would pay



- When asked whether they reserve a budget to support their exports, 6% responded affirmatively (no amounts were given); and the remainder, in equal measure (> 45%), responded “no” or “not yet”.
- As illustrated in the following Figure 13, when asked which export-related service(s) should be prioritised by Caribbean Export:
 - o The most popular was ‘Organisation of promotional activities overseas (e.g. trade missions, fairs, exhibitions, festivals etc.)’ (selected by 27% of respondents).
 - o This was followed by ‘Provision of export-related advice and market information’ and ‘Support to improve national environments to make more conducive for creative exports’ (both selected by 20% respondents).



Figure 13: Export services to be prioritized by Caribbean Export for CARIFORUM Jewellery professionals



- The following two services were not noted by any of these Jewellery professionals as priorities for Caribbean Export:
 - Support to broaden / strengthen your business networks/contacts overseas
 - Support to protect your Intellectual Property in export markets
 - Facilitation of export finance and/or credit guarantee measures.



5.2. Good practices in EU Member States for Jewellery

The Centre for the Promotion of Imports from developing countries (CBI) is part of the Netherlands Enterprise Agency and commissioned by the Ministry of Foreign Affairs of the Netherlands. It supports producers / exporters to get a foothold on the European market as well as organisation supporting export (capacity building). In the Caribbean region they only target Suriname.

The CBI assists among other producers/exporters of the jewellery sector by providing them market information. In addition they have a special “export programme” that approaches the **value chain** as a system in which all stakeholders are interconnected. To optimally improve export promotion CBI works on:

(1) Export Coaching

Their Export Coaching Programme helps exporters/producers to:

- Adapt their company and products to EU market requirements and standards;
- Become familiar with EU markets and business practice;
- Develop an export marketing strategy;
- Export to the EU market;
- Consolidate their export position in the EU.

The CBI carries out programmes in over 20 different sectors. Most programmes follow a step-by-step [Modular approach](#). The ECP is tailor-made and consists of a selection of the following modules:



Source: CBI

(2) Institutional Development

For organizations wishing to assist companies to export their goods and services, the CBI has developed the Business Service Organisation (BSO) Development Modules to:

- Improve or develop EU-specific services needed by their clients;
- Re-engineer related work processes and service delivery modes;
- Improve service delivery by enhancing staff competencies;
- Benefit from strategic cooperation with business service providers as well as other relevant stakeholders;
- Play a proactive role in the export value chains within which their BSO operates.

See more at:

<http://www.cbi.eu/About%20CBI/CBI%20services/BSO%20Development%20programmes#thash.vShjle9T.dpuf>



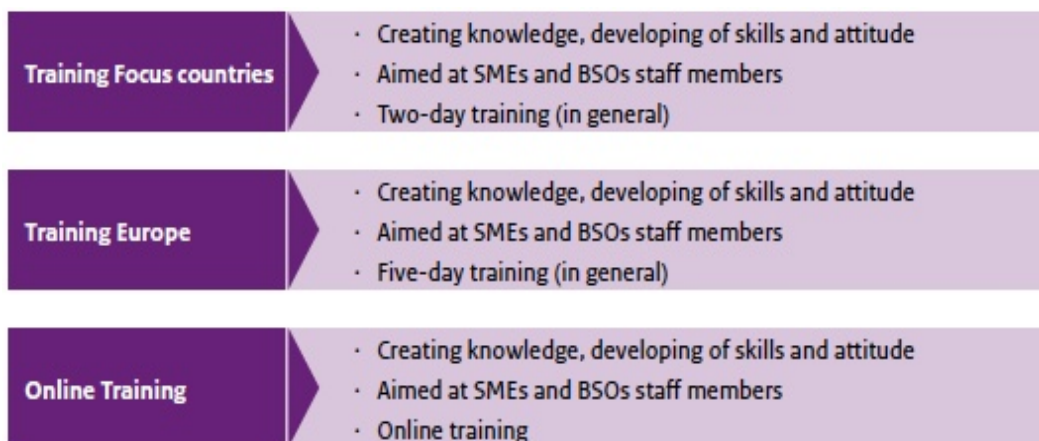
(3) Human Resource Development

The objective of Human Resource Development (HRD) interventions of the CBI is to create and develop (European) export related knowledge, skills and attitudes among representatives of SME clients and/or BSO staff. CBI offers a range of training courses on European export and European market related issues. These courses are complementary to the aforementioned ECP and BSOD programmes, but may also be provided to a larger group of (aspiring) exporters than the core group of companies participating in the ECPs. The courses can be organised in one of our target countries or in the EU.

In addition, CBI is currently developing online training courses. These online courses are accessible all over the world at any time of the day. This way CBI provides distant learning to its target group. This will increase the accessibility and flexibility of CBI training activities.

What do they offer?

They have the following three modules for Human Resource Development:



Source: CBI

The training courses are clustered into five phases of the export process.

1. Preparing an organisation
2. Conducting market research
3. Creating strategy
4. Product development
5. Marketing and promotion

See more at:

<http://www.cbi.eu/About%20CBI/CBI%20services/Training%20Programmes#sthash.sSI4EM.dpuf>



5.3. Scope for business cooperation between the EU and CARIFORUM for Jewellery

The CARIFORUM territories have access to a range of minerals, such as gold in Guyana⁸, Surinam and the Bahamas; Larimar (blue pectolite) and amber in Dominican Republic⁹, and a range of semi-precious minerals and elsewhere throughout the member states. As is the case throughout much of the developing world, while it is known or surmised that the region's geographic features make it highly likely that most of the countries will have some volumes of exploitable minerals, in many cases only those countries where such resources were available at or near surface levels, has much activity to secure these taken place. That is, the investment needed to take explore, map and secure these raw materials has proved to be in short supply. For example, even in the Dominican Republic, which has had a long engagement with the mining of precious metals, it was only in 2012 that exploratory drilling concluded that the commercial exploitation of significant reserves of precious metals – particularly gold – located in the ridges of the north-eastern mountains straddling the DR and Haiti,¹⁰ and with an estimated value of over US\$60 billion was feasible. Similarly, in the first quarter of 2015, Suriname announced that the region's first gold refinery¹¹, an investment between that country's government and a Dubai-based specialist firm, had commenced commercial operations, making possible a range of value-added activities.

Theoretically, the presence of a wide range of precious and semi-precious minerals in the region increases the opportunities for finished works to access the markets of the EU through a mix of entry channels and at various price points. While by no means well-known, the region's hand crafted jewellery has the potential to become well-known internationally if the recent example of an international exhibition in Jamaica in spring of 2014¹² is anything to go by. The EU market could be may be worth exploring as a potential market for the sales of jewellery-grade minerals and precious stones, especially within the market of the traditional luxury companies. In addition EU consumers are very strongly interested in jewellery from developing countries and emerging economies, which represented 38.5% of jewellery imports¹³. As noted elsewhere in this series of reports, much will depend on the ability of the region's artisan-jewellers to familiarize potential European partners and networks with their output, which is not without its major hurdles with respect to national-level business support, difficulties in securing financing, and lack of knowledge of the European marketplace characteristics.

⁸ Caribbean Community Secretariat, The CARICOM environment in figures 2002, United Nations, New York, 2003, 137p.

⁹ <http://amberfactory.com/>

¹⁰ http://www.caribbean360.com/news/haiti_news/precious-metals-worth-potentially-20billion-found-in-haiti#ixzz3fmqTefL8

¹¹ <http://www.stabroeknews.com/2015/news/regional/02/21/gold-refinery-opens-in-suriname/>

¹² <http://www.designcaribbean.com/exhibitor-categories/jewellery>

¹³ CBI, art. cit.



5.4. Image and Reputation of CARIFORUM CCIs

None of the EU contact points with whom communication was established by the consulting team, had either positive or negative impressions of the CARIFORUM jewellery industry as there is widespread lack of knowledge regarding what it has to offer, what are its characteristics and who are the players.

From one perspective, the lack of a track record in the EU to this point may not prove to be an insuperable barrier, inasmuch as that situation may present an opportunity for the CARIFORUM region to become “the next new thing” in the marketplace. CARIFORUM CCIs active in this industry will be required to establish a foothold, but without a sustained focus on acquiring marketplace knowledge, time spent on understanding and penetrating networks, and demonstrating to the selected markets that the CARIFORUM CCIs in this industry are able to offer appealing and competitively priced products, it is likely that such attempts will be futile.



Annexes



Annex 1: Details of Survey Respondents – Jewellery

Table A4: Breakdown of respondents in CARIFORUM Jewellery value chain

If in 'Jewellery', please identify what area(s) you work in: (select as many as apply)		
Answer Options	Response Percent	Response Count
Jeweller / jewellery designer	91.4%	32
Technical expert/technician with specific responsibilities (e.g. smelting, glazing, stone cutting/polishing etc.)	28.6%	10
Employer of jewellers (excluding educational establishments)	11.4%	4
Manager/provider of studio space(s) for jewellers	11.4%	4
Import / wholesale of raw (input) materials	25.7%	9
Distribution (wholesale or export) of jewellery	17.1%	6
Jewellery dealer	5.7%	2
Jewellery collector (private / for an institution e.g. bank)	2.9%	1
Curator	0.0%	0
Exhibitions / Gallery / Museum	25.7%	9
Auctions	0.0%	0
Jewellery appraiser / valuator	11.4%	4
Catalogues & other publications (print or digital)	5.7%	2
Jewellery-related (trade) fairs	31.4%	11
Retail outlets - physical premises	31.4%	11
Online sales platform/services (incl. virtual gallery)	14.3%	5
PR, Marketing, Advertising	17.1%	6
Financing & Investment	5.7%	2
Accounting services	2.9%	1
Legal services	0.0%	0
IP registration / management	0.0%	0
Shipping / freight forwarding, incl. packaging & insurance services	2.9%	1
Teaching (at any level) - incl. classes, lectures, workshops etc.	40.0%	14
Other (please specify)	11.4%	4
answered question		35



Annex 2: List of Stakeholders Consulted for Jewellery in EU Member States

Table A2-1: List of stakeholders consulted for Jewellery in the EU.

Companies / Trade Associations	Activity(ies) of VCA	Country
British Jewellers' Association	Advocacy, Networking and Assistance to Export	UK
International Jewellery London ¹⁴	Trade Fair, Exhibition, Distribution, Promotion	UK
Made	Production/creation	UK
Fiera di Vicenza	Trade Fair, Exhibition, Distribution, Consumption	IT
Karry Berry	Production/Creation, Distribution, Training	UK

¹⁴ For over 60 years, International Jewellery London has connected the worlds' most influential jewellery designers, brands, gem suppliers, allied services and manufacturers with senior level retailers.



Annex 3: Key EU Stakeholders for CARIFORUM's Jewellery Industry

To identify the market opportunities for the CARIFORUM CCIs in the EU, a list of the key stakeholders were selected on the basis of the following three criteria:

- **International:** they must have an evident interest in developing relationships with the CARIFORUM region or with experience with international markets.
- **Geographical:** they can be either European or national organisations with a clear international profile.
- **Practical:** they must have a practical approach to international cooperation, and be willing to organise and take part in practical initiatives such as events, seminars, training, B2B development activities, etc.

The stakeholders were grouped per CCI sub-sector and EU Member State in the following six categories:

- **Main European trade bodies:** Trade bodies are the main stakeholders responsible for increasing business opportunities of European companies and improving their visibility at international level. This section includes European trade bodies and the main national trade bodies active at European/international level.
- **Main industrial stakeholders in Europe:** Although SMEs are predominant across the European cultural and creative industries, Europe also counts internationally-known companies or industrial groups in almost all cultural and creative sub-sectors. These are listed in this third group.
- **Relevant trade fairs and festivals:** Some of the world's largest trade fairs of relevance to CCIs take place in Europe, from visual arts, to cinema, music, fashion and design.
- **Main public institutions and bodies** supporting internationalisation of CCIs in the EU Member States.

These stakeholders for CARIFORUM's Film Industry are listed in the following table.



Table A3-1: List of stakeholders for Jewellery in the selected EU Member States

CCIs sub-sector	Type of stakeholder	Name	Website
Jewellery	European trade bodies	The World Jewellery Confederation (CIBJO) <ul style="list-style-type: none"> • Its membership made up largely by national jewellery trade organizations from more than 40 countries around the world, CIBJO covers the entire jewellery, gemstone and precious metals sectors vertically, from mine to marketplace, and horizontally within each of the component sectors in the various production, manufacturing and trading centres. Most of the international jewellery sector's leading corporations and service providers are also affiliated to CIBJO through commercial membership.¹⁵ • Its headquarters is based in Milan, Italy. 	http://www.cibjo.org/
		European Federation of Jewellery	Not available
		Responsible Jewellery Council <ul style="list-style-type: none"> • International not-for-profit organisation bringing together more than 230 member companies committed to promoting responsible ethical, human rights, social and environmental practices in a transparent and accountable manner throughout the industry from mine to retail. Their commitment aims to reinforce consumer and stakeholder confidence in diamond and gold jewellery products. • Developed the RJC System, a certification system – which will apply to all Members' businesses 	http://www.responsiblejewellery.com/

¹⁵ In 2006, CIBJO became the only organisation in the international diamond, gemstone and jewellery sectors ever to receive official consultative status with the Economic and Social Council (ECOSOC) of the United Nations.



CCIs sub-sector	Type of stakeholder	Name	Website
		that contribute to the diamond and gold jewellery supply chain. ¹⁶	
	National Trade Bodies	AEJPR (Asociación española de joyeros, plateros y relojeros) (ES)	http://www.iberjoya.es/
		British Jewellers Association (UK)	http://www.bja.org.uk
		Bundesverband der Edelstein- und Diamantindustrie e.V. (DE)	http://www.bv-edelsteine-diamanten.de/
		Bundesverband der Importeure und Exporteure von Edelsteinen und Perlen e.V. (Import and Export) (DE)	Not available
		Bundesverband des Schmuck and Uhrengrosshandels e.V.(Wholesalers) (DE)	http://www.schmuck-uhren-grosshandel.de/index.php
		BVJ-Bundesverband der Juweliere, Schmuck und Uhrenfachgeschaefte e.V.An(DE)	http://www.bvt-ev.de/juweliere/news.php
		CONFINDUSTRIA FEDERORAFI (IT) ¹⁷	www.federorafi.it
		<ul style="list-style-type: none"> most qualified interlocutor of Italian gold jewellery, jewellery and silverware manufacturers, as it not only competently and efficiently safeguards their rights and interests, but it also liaises with the vast network of companies on issues of a general, national and international nature. 	
	Confcommercio (IT)	http://www.confcommercio.it/home	
	Conseil Interfédéral de la Bijouterie , Horlogerie,	Not available	

¹⁶ All Commercial Members of the RJC are required to be audited by accredited, third party auditors to verify their conformance with the RJC's Code of Practices and become certified under the RJC System.

¹⁷ Member of Confindustria (Organization representing Italian manufacturing and services companies) and E-JAG (European Jewellers' Associations Group) and was one of the founding members of FIAMP (Italian Federation of Fashion and Personal Accessories Manufacturers).



CCIs sub-sector	Type of stakeholder	Name	Website
		Joaillerie, Orfèvrerie (FR)	
		Danish Jewellers Association (Suppliers) (DK)	http://www.danishjewellery.com
		Danish Retail Jeweller and Watchmaker Association (DK)	www.guldsmed.dk
		Deutsches Edelstein-Testinstitut GMBH(DE)	Not available
		Federation of German Jewellery, Watches, Clocks, Silverware and Related Industries (BV Schmuck + Uhren) (DE)	http://www.bv-schmuck-uhren.de/de/inhalt/startseite.html
		Federpreziosi (IT)	http://www.federpreziosi.it/
		Gemmological Association(UK)	http://www.gem-a.com/
		L'Union de la Bijouterie Horlogerie(FR)	http://www.u-b-h.com/
		National Museum of Natural History Naturalis (NL)	Not available
		UNION FRANÇAISE DE LA BIJOUTERIE, JOAILLERIE, ORFÈVREURIE, DES PIERRES & DES PERLES (UFBJOP) (FR)	http://www.bjop-france.com
		National Gold Consul (DK)	www.guldsmed.dk
		National Association of Goldsmiths(UK)	http://jewellers-online.org/
		Zentralverband für Uhren, Schmuck und Zeitmesstechnik(DE)	http://www.zv-uhren.de/
		Main industrial stakeholders in Europe	BULGARI (FR)
	AGATHA (FR)		
	Cartier (FR)		http://www.cartier.fr/
	Chaumet (FR)		
	DIOR (FR)		
	FeelingX by Cobra (DE)		http://www.sperky.cz/cobra/
	Graff (UK)		http://www.graffdiamonds.com/
	GUCCI (IT)		www.gucci.com
	Jalokiviseppa Alexander Tillander Oy (FI)		http://www.alexandertillander.fi/atillander/
	Lo Coco and Kupbart (EE)		http://www.lococoandkupbart.com/index.php/en/company
	PANDORA (DK)		http://www.pandora.com
	Pianegonda (IT)		
Pomellato (IT)			



CCIs sub-sector	Type of stakeholder	Name	Website	
		Strolli Oro (IT)		
		TOUS (ES)	http://www.tous.com/	
		Van Cleef Arpels (NL)	http://www.vancleefarpels.com/ww/en.html	
	Trade fairs	BIJORHCA Paris (FR)	<ul style="list-style-type: none"> • Takes place twice a year. • Exhibitors: 432 (227 French brands and 205 international brands) • Visitors: 12 302 visitors¹⁸ • Both these figures correspond to one of the two yearly sessions. 	http://www.bijorhca.com
		INHORGENTA MUNICH (DE)	<ul style="list-style-type: none"> • Jewelry, timepieces, lifestyle. It is the most important trade fair in Germany. • Exhibitors: 1,237 exhibitors • Visitors: 30,000 trade visitors from 85 countries¹⁹ 	http://www.inhorgenta.com
		INTERNATIONAL JEWELLERY LONDON (UK)	<ul style="list-style-type: none"> • Exhibitors: 609 from 30 countries • Trade Visitors 8,162 from 64 countries²⁰ 	http://www.jewellerylondon.com
PRINTOR (FR)		<ul style="list-style-type: none"> • Exhibitors and brands: 450 • Visitors: 3012 trade visitors²¹ 	http://www.printor.fr	

¹⁸ http://www.bijorhca.com/site/FR/Le_salon/Presentation_du_salon,C4632,I4669.htm?KM_Session=e666ba537c7e5a37d6d7e718e614b560

¹⁹ : <http://www.inhorgenta.com/link/en/26933330#26933330>

²⁰ <http://www.jewellerylondon.com/Visiting/International-Visitors1/>

²¹ <http://www.printor.fr/presse/communiqués-de-presse/communiqués-de-presse>



CCIs sub-sector	Type of stakeholder	Name	Website
		VICENZAORO (IT) <ul style="list-style-type: none"> • Vicenza Oro one of the most relevant international jewellery fairs, presenting the new trends of the sector before any other fair. • Takes place three times a year. • Exhibitors and brands: 1,196 (860 Italian and 336 foreign exhibitors from 27 countries).²² • For trade visitors only. • It also has an important internationalisation strategy and has partnered with top international fair organisation companies around the world.²³ 	http://www.vicenzaoro.com
	<i>Main Public Institutions and Bodies</i>	Agence française pour le développement (FR)	http://www.afd.fr/jahia/Jahia/home
		Agency for Development and Cooperation (AECID) (ES)	http://www.aecid.es
		Dutch Centre for International Cultural Activities (SICA) (NL)	http://www.sica.nl/en/node/19986
		ICEX (Spanish Institute for Foreign Trade) (ES)	http://www.icex.es/icex/es/index.html
		UK Trade & Investment (UK)	https://www.gov.uk/government/organisations/uk-trade-investment
		Danish Centre for Culture and Development (state agency) (DK)	http://www.dccd.dk/dccd/cku.nsf
		KreaNord (DK and FI and other countries of Nordic region)	http://www.kreanord.org/en/about-kreanord

²² <http://fall.vicenzaoro.com/en/Press/Press-Kits/VICENZAORO-Fall-2013-Press-Kit>.

²³ Text on international partnerships extracted from: <http://www.vicenzaoro.com/en/News/VICENZAORO-in-the-world>