



China's Tariffs Reductions on Jewelry Benefits Sri Lanka Jewelry Exports

BUSINESS 14 MINUTES AGO

Tweet

Share

Share

Share

Pin it

E-mail

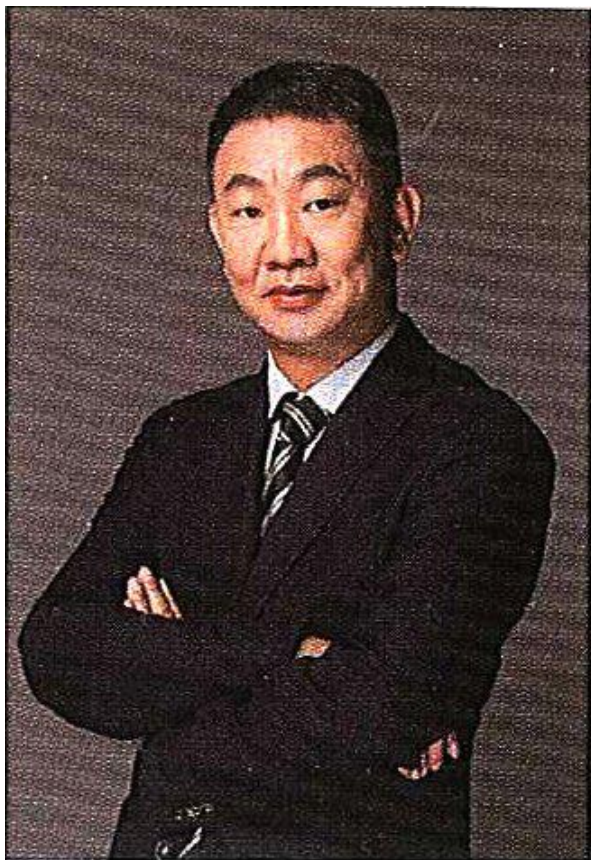
China has reduced import duties on 18 jewelry categories by reclassifying them as everyday consumer goods, according to the Guangzhou Diamond Exchange.

The Customs Tariff Commission of the State Council has cut the rate by an average of 68% across those categories and the new rates will go into effect on July 1.

The above tariffs reductions on jewelry have been extended, after the Jewelry Extended Fashion Industry Alliance was inaugurated as a project in Shenzhen, China in May 2018, as a part of the "Belt & Road" initiative of China, which also includes, among other countries, Sri Lanka. These tariff reductions will be a boost for the gem and jewelry export industry of Sri Lanka, which is represented on the Board of the Jewelry Extended Fashion Industry Alliance.

The International Business Center of Shenzhen Shuibei Jewelry Group, under the leadership of its President Mr. Lu Lihang, ceremoniously launched a contemporary and futuristic Project in May 2018 to develop and promote a "Belt & Road" Jewelry Extended Fashion Industry Alliance, with Headquarters in Shenzhen, China. The inauguration was attended by a distinguished gathering of

persons from political elites of China and several other countries globally, including Sri Lanka, and the President and Members of the International Coloured Gem Stone Association, Jewelry and Gem Stone Associations, Chinese and other Chambers of Commerce and strategic related Agencies. The Alliance comprises of 45 International Organizations and Jewelry Associations of more than 20 countries.



Mr. Lu Lihang

Jewelry Extended Fashion Industry Alliance shall be a platform for those world-class companies and research institutions along the “Belt & Road” areas that endeavor to co-operate in jewelry and fashion industry at international level in the field of production, research and development, with policy guidance from states and market oriented results. It shall also provide services to the fashion and extended industry worldwide, with its platform. With the collective efforts of its Members and their advantages of various resources, Jewelry Extended Fashion Industry Alliance will actively carry out exchanges and co-operation in jewelry, fashion, finance, culture, technology and enhance health, and jointly promote the healthy and sustainable development of companies in the global jewelry extended fashion field.

The founding of this Alliance only symbolizes the magnificent beginning of a long march. The future development of the Alliance requires to work together with the globalized vision and an international

strategy of the gem and jewelry industry which is related to fashion. The Alliance will integrate high-quality resources in the global jewelry extended fashion field, fully playing the bridging role to create an integrated platform for the globalization of the jewelry extended fashion industry, promoting global co-operation and strengthening horizontal development and vertical integration of industrial chains among enterprises. Furthermore, it will mobilize advantageous resources and form industry cluster for mutual benefit and win-win results in order to build a jewelry extended industry economic community.

Some of the participants at the inauguration had been : Mr. Korn Dabbaransi, Former Vice Premier of Thailand; Mr. Svetozar Krstic, Former Vice Premier of Serbia; Mr. Clement Sabbagh, President of the International Colored Gemstone Association (ICA); Mr. Li Guixiong, Chairman of Thai Young Chinese Chamber of Commerce; Mr. Ken Lo, Chairman of Hong Kong Jewellery & Jade Manufactures Association; Mr. Didier Giard, President of the Association of Gemmology for France (AFG); Mr. Arnil Sammoon, Chairman of Sapphire Capital Group (SCG); Mr. Guillermo Galvis Morales, President of Acodes, Colombian Emerald Exporters Association; Mr. Ro Jae Hun, Chairman of Korea China Culture Center.



The vision—Jewelry trade is the most important commercial form of “Ancient Silk Road”. More than 2000 years ago, persons began to exchange information between East and West through sea and land trade channels. More than 30 kinds of jewels were traded between Asia and Europe. The “Belt & Road” initiative has provided an opportunity to promote the community of human destiny through the ‘Jewelry Extended Fashion Industry Alliance’. It will promote industrial upgrades and interactions ranging from raw material extractions to deep procession of jewelry, marketing, strategic and developing fashion art design.

The Shuibei Jewelry Group and International Business Center will offer one base and seven centers for the growth of the “Belt & Road” Jewelry Extended Fashion Industry Alliance, as a ‘state of the art’ international gem, jewelry and design platform, with an ultra-modern futuristic complex in Shenzhen, China to be the global center. Renowned International Business Consultant from Sri Lanka Mr. Nihal Sri Amersekere of Consultants 21 Ltd., has been co-opted as a Member of the Board of this Jewelry Extended Fashion Industry Alliance.



Retail

China Cuts Import Tariffs on Jewelry

Taxes have dropped an average of 68% over 18 categories.

Jun 11, 2018 7:56 AM By Leah Meirovich



RAPAPORT... China has reduced import duties on 18 jewelry categories by reclassifying them as everyday consumer goods, according to the Guangzhou Diamond Exchange.

The Customs Tariff Commission of the State Council has cut the rate by an average of 68% across those categories, Liang Weizhang, general manager of the bourse, told *Rapaport News* Sunday. The new rates will go into effect on July 1.

"This is the first time that China [has cut] the import tariffs on jewelry categories in recent years," Weizhang said. The change presents an opportunity for foreign jewelry brands to move further into the Chinese market, he added.

The adjustment has come about because China has reclassified these jewelry products as "daily consumer products," whereas, until this point, they had been considered luxury goods, Weizhang explained.

Among the items to enjoy a tax reduction are gold- and silver-jewelry products, which will drop from the 20% bracket to 8%. Tariffs on platinum and other precious metals will decline from 35% to 10%, as will duty on natural or cultured pearl products, gemstones and semiprecious stones.

The lower rate will probably only affect luxury brands such as Tiffany & Co. and Cartier, as those are generally the types of jewelers that import finished pieces into China, said Julius Zheng, vice president of the Shenzhen Rough Diamond Exchange.

The relatively low tariffs on polished-diamond imports make it more worthwhile to ship loose stones into the country and assemble the jewelry there, he added. Only the high-end brands whose products carry large retail price tags have the margins necessary for it to be worth importing jewelry.

"The tariff cut may boost the sales of such brands on condition that they choose to reduce their price point accordingly," Zheng said.

However, only a small portion of Chinese consumers buy these top-end products, he noted.

The tax may also encourage the import of 18-karat-gold designer jewelry from Italy, which is popular in China, Zheng continued.

China's New Import Tariffs

HS Code	Description of Goods	Import Tariffs	
		Current Rate	New Rate After July 1, 2018
71131110	Silver jewelry and parts thereof, inlaid with diamond	20%	8%
71131190	Other silver jewelry and parts thereof	20%	8%
71131911	Gold jewelry and parts thereof, inlaid with diamond	20%	8%
71131919	Other gold jewelry and parts thereof	20%	8%
71131921	Platinum jewelry and parts thereof, inlaid with diamond	35%	10%
71131929	Other platinum jewelry and parts thereof	35%	10%
71131991	Other precious metal jewelry and parts thereof, inlaid with diamond	35%	10%
71131999	Other precious metal jewelry and parts thereof	35%	10%
71132010	Jewelry of base metal clad with precious metal, inlaid with diamond	35%	10%
71132090	Other jewelry and parts thereof, of base metal clad with precious metal	35%	10%
71141100	Silver wares and parts thereof	35%	10%
71141900	Other gold and silver wares and parts thereof	35%	10%
71142000	Gold and silver wares and parts thereof, of base metal clad with precious metal	35%	10%
71161000	Natural or cultured pearls	35%	10%
71162000	Precious or semi-precious stones	35%	10%
71171100	Cuff links and studs	35%	10%
71171900	Other imitation jewelry of base metal	17%	8%
71179000	Other imitation jewelry of unlisted material	35%	18%

Source: Guangzhou Diamond Exchange

Image: Humphery/Shutterstock

RAPAPORT
INFORMATION THAT MEANS BUSINESS.