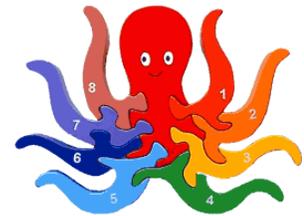




MARKET ACCESS GUIDELINES: EUROPEAN UNION



CRAFT SECTOR

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MARKET ACCESS

Market Access refers to the openness of particular markets to foreign products and services with compliance to the conditions of tariff and non-tariff measures for the entry of specific goods into the specific markets.

1. NON TARIFF BARRIERS

Nontariff barrier is any policy or procedure that restricts imports but is not a tariff. Tariffs are government taxes on imports and exports that are used to control the balance of trade between one country and another. There are a wide range of national policies and procedures that can have the effect of restricting imports, ranging from national quality standards to unreasonable customs procedures. Generally, nontariff barriers can be grouped into three categories: barriers that directly aim to limit imports to protect a national interest, barriers that are regulatory and have the effect of limiting imports, and indirect barriers.

a. QUALITY AND GRADING STANDARD

Following the harmonisation of rules and regulations in the EU since January 1993, Uniform quality regulations apply EU-wide. Generally, it can be said that the European markets set high demands on quality.

- **Articles of original value**

This category contains those items that are hand-made, original, artistic and exclusive. The quantities are relatively small; sometime it concerns unique pieces of which one is different. These items are selected personally by importers who visit the country concerned.

- **Articles of decorative value**

This category of decorative articles consists of items, which are meant to be sold in bigger quantities; therefore they are produced on a larger scale. They may be both hand-made and machine-made, and quite often they cheaper copies of first category.

- **Articles of utilitarian value**

This category is comparable to former, but differs in one important respect i.e. that these articles should be of functional value. In other words, these items should be both decorative and useful.

b. PACKAGING ,MARKING AND LABELLING

Great care should be given to the packaging of products, if one intends to export to the EU. Shipment per container is a must especially for fragile materials and must be packed in such a way that they would not be affected by rough transport handling, adversely influenced by the elements, change of temperature and theft. Packing in sturdy corrugated boxes with dimensions enabling easy handling and weight not exceeding 25 kg per carton is recommended. Wherever possible, the outer carton should be placed together on pallets, to further avoid the risk of damage during the transit. Packaging made of biodegradable (recyclable) materials are preferable.

Specially for the craft ,distributor place strong emphasis on attractive, easy- to –hadle, and self-promoting packing materials. The consumer packing should attract attention, clearly show the contents- either by picture or by see-through packing- and contain information on the use of the products.

- **Marking and labelling in general**

EU consumers are well aware of quality and brands. The consumer wants to know exactly what he or she buys. Therefore, it is important to mark the product brand name, special material, name/sign of the craftsman, guarantee of originality according to the market segment for which the product is intended. A label on the article has to provide the necessary data in a language comprehensible in the target market. In general, the label should include material(s) used, qualities, country of origin and, if applicable, size in “cm” or volume in “litres” and instruction for use. Positive sales arguments (sometimes symbol) which should be indicated on the product such as: food-safe, recyclability, environmentally friendly, etc. The essential data can be printed on the underside of the product.

c. TRADE-RELATED ENVIRONMENTAL MEASURES

Environmental aspects of products have become a major trend in Europe in recent periods. Besides governmental actions (legislation and regulation), a strong consumer movement is noticeable.

- **Environmental awareness**

As a topic “the environment” is more than just a trend; it is a lasting issue that, together with issues such as price and quality, may well be one of the largest determinants for success on the EU market. Consumers and marketing partners in the EU are more and more concerned about the environmental impact of the production process. Environmental performance is becoming a marketing factor too. Related to environmental issues are not only consumer health and safety, but also social issues (working conditions)are becoming more important.

- **Legislation**

Legislation is relevant to all materials used in the products. This is especially important to manufacturers of gifts and decorative articles.

All materials must comply with the legislation. European Union legislation is binding for, and thus implemented in, all European member states.

i. Green Generalised System of Preferences(GGSP)

One of the major instruments of the EU to promote environmentally sound products is to award (tariff) preference or to levy so-called “environmental taxes”. The Green GSP works on the assumption that extra preferences can be awarded, on top of the ones under the current GSP, to those producers who show their commitment to the environment and who search for cleaner production techniques.

ii. European directives on environment, consumer health and safety

Two directives (76/769/EEC and 67/548) form the basis of the European legislation on environment, consumer health & safety. Requirements to reduce the risk of certain dangerous Substance are laid down within these directives. Certain subs tans dangerous to human health, therefore it is important to check legislation.

iii. European Directive on Packing and Packaging Waste

In December 1994, the European Directive on packaging and packaging waste (94/62/EC) was adopted. The Directive establishes overall legislation for the treatment of packaging waste, consisting of quantitative objective to be achieved by each of the EU member states.

The direct implication of the Directive is that the exporter will have to comply with the ban on certain heavy metals.

iv. **Green Dot**

With the tremendous growth of waste and increasing disposal problems, Germany has established legislation which contains certain rules for the disposal of packaging materials. In response to this legislation, a co-operative effort for the collection and recycling of packaging material was initiated.

- **Environmental standards and norms**

Care of the environment and the conscious use of the available resources is a major issue in Europe. Regarding environmental aspects, gifts and decorative articles are a complicated product group. Crafts can be manufactured from various materials such as wood, metal, glass, stone (ceramic), plastic, paper, leather and textile.

Therefore the environmental impact of the product depends on the production process and the material that are used.

The most important dangerous substances laid down in legislation for gift and craft:

- ❖ Azo dyes & Pigments = mainly used in textile and leather articles
- ❖ Benzene = as a stabilizer in plastics
- ❖ Formaldehyde= as a glazing or bonding agent applied in textile, leather and resins
- ❖ Pentachlorophenol(PCP)= to prevent microbiological defects in wooden toys
- ❖ Polychlorinated biphenyle (PCB) & Terphenyles (PCT)=used as softeners in plastic products
- ❖ Flame retardants = textiles, leather and plastic to reduce the flammability
- ❖ Asbestos= fling material of plastics
- ❖ Cadmium= pigment or stabilizer in paints, plastics, ceramics and glassware and fixing agent in textile and leather.
- ❖ Phthalates = added to PVC as a softener used in toys
- ❖ Nickel = used in alloys for toys or other articles
- ❖ Mercury (Pb) = used in toys, ceramic and glass
- ❖ CFCs and halogens = used as foaming agents

According to the material use, the implication of occupational health and safety are as follows;

i. **Wood**

- ❖ **Noise**-When sawing timber or cushioning of equipment ,that can be reduced by wearing ear protection(safety headphones)
- ❖ **Dust**-adequate suction and ventilation of the workplace is essential. Mouth filters and goggles are necessary to protect workers from wood dust.
- ❖ **Light**-Sufficient lighting and protection from glare is required.
- ❖ **Safety of machinery & equipment**-Sawing and Cutting requires special attention to the hand safety.
- ❖ **Direct contact with dangerous substances**-Exhaust gases, timber dust and toxic chemicals must be protect from the respiratory system
- ❖ **Toxic vapours from additives** –Wood preservatives and emissions shall be minimized and air quality should be monitored periodically.

ii. **Metal**

- ❖ **Dust in foundries**-the greatest risk to the health, which cause respiratory problem and also damage the lungs and other vital organs.

- ❖ **Gases & vapours** –May contains various type of amines, formaldehyde, isocyanides irritate the eyes and respiratory tracts.
- ❖ **Heat and heat stress**-Radiant heat is the major contributor to the heat load imposed on the worker.
- ❖ **Physical injuries & serious burns**- May result from splashes of molten in the melting and pouring areas of foundries.

iii. **Ceramics**

- ❖ **Dust**-Grinding of raw material and polishing/shaping of dry semi processed products causes heavy dust result respiratory problem
- ❖ **Exposure to the chemicals**-When glazing , spray cabins and protective masks should be used to protect from the direct contact of these chemicals.

iv. **Plastics**

- ❖ **Direct contact with hazardous chemicals**-Protective masks and clothing should be used by people working with chemicals.
- ❖ **Safety of machinery and equipments**-Exposure to noise and vibrations should be avoided.

v. **Leather**

- ❖ **Exposure to the Chemicals**- Processes of tanning causes high risk. Protective mask and clothing should be worn by people working with chemicals.
- ❖ **Dust**- Ventilation of work place is essential. Accumulated dust can be removed through hovering. Mouth filters and goggles are necessary to protect workers from dust.
- ❖ **Accidents** of mechanical nature should be avoided

vi. **Textile**

- ❖ **Exposure to Chemicals**- Skin contact with or inhalation of harmful chemicals should be avoided.
- ❖ **Dust**- To prevent ventilation of the workplace is essential. Except that wetting the work floor and hovering is essential.
- ❖ **Noise**, from machinery can be reduced by wearing ear- protection and cushioning of equipment.

d. SOCIAL ACCOUNTABILITY AND FAIR TRADE MANAGEMENT

Comply with SA8000, or Social Accountability 8000, Occupational health and safety OHAS 18001, ILO conventions and labour conditions (ILO) applied for

- No use of Child labor
- Freedom of Association
- Non discrimination
 - Wages and benefits
 - Working hours
 - Forced labor and discipline practices
 - Abuse and harassment
 - Health and safety
 - Environment
 - Subcontracting practices

Comply with Fair-trade standards. One set of standards applies to smallholders that are working together in co-operatives or other organizations with a democratic structure. The other set applies to workers, whose employers pay decent wages, guarantee the right to join trade unions, ensure health and safety standards and provide adequate housing where relevant.

Therefore following product labels are introduced in European Union in craft sector to guarantee the EU consumers.

❖ **Ecolabels**

Ecolabels are used to guarantee the consumer an environmentally and/or socially sound product and to distinguish the product from competitors in positive way.(e.g. organic raw materials, no child labour, no use of harmful chemicals).

The most important labels are the EU label, the Milieukeur label in the Netherlands, the Blue Angel and SG label in Germany and the Nordic Swan label in Nordic countries.

❖ **Fair trade label**

This label introduced from International Federation for Alternative Trade (IFTa) and Alternative trading Organisation (ATO) ,producer from the developing countries mainly from the handicraft and food products create an alternative way of doing business that is beneficial and fair to the end producer.

❖ **CE marking**

The abbreviation “CE” stands for “Conformité Européene”(European Conformity).It indicates that the product complies with the legally binding requirements for safety, health ,environment and consumer protection in European Union.

In case of gift and craft, CE marking should be applied on toys.

2. Tariff Barriers

Imports are defined as “merchandise brought into free circulation in the Netherlands and put at the free disposal of the interested party, following the completion of the required customs formalities”. In the context of the harmonization of import and export procedures in the European Union, the Netherlands’ customs have introduced a distinction between goods which are in free circulation from a national point of view and goods which are in circulation within the EU.

According to this concept, goods, which enter into or leave free circulation within the EU (as opposed to national circulation), are not considered Netherlands imports.

Most of the Gift and decorative articles are covered by the Renewed Generalized System of preference (RGSP). The RGSP contains four lists giving different basic tariff, which are 0- 35 – 70 and 100 percent. Gift and Decorative articles comprise such a wide range of products that the detailed results will be given per category.

A tariff of 0 percent of the GCT on all industrial products will be maintained (as in the old GSP) for the least developed (poor) favored nation.

EU TARIFF FOR CRAFT

HS CODE	DESCRIPTION	TARIFF
CERAMIC & PORCELAIN		
STATUETTES		
691310	Statuettes and other ornamental ceramic articles of porcelain & China	2.5%
POTS & VASES		
691410	Ceramic articles of porcelain or China	5%
WICKERWORK		
PRODUCT GROUP : Wickerwork		
460211	Basketwork, wickerwork	3.7%
CANDLES		
340600	Candles tapers and the like	0%
WOODEN DECORATION		
4414	Wooden frames for paintings, photographs, mirrors or similar objects	2.5%
METALWARE		
METAL DECORATION		
8306	Bells, gongs and the like, non-electric, of base metal; statuettes and other ornaments, of base metal; photograph,	0%-2.7%
TABLE CUTLERY		
821100	-Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal.	8.5%
821510	--Knives with cutting blades,	4.7%
COPPER BASED ARTICLES		
740321	Copper and articles thereof ,Refined copper and copper alloys,)	0%
740721	Copper and articles thereof -Copper bars, rods and profiles	4.8%
740929	Copper and articles thereof-Copper plates, sheets and strip, of a thickness exceeding 0.15 mm	4.8%
741991	Copper and articles thereof -Other articles of copper. Cast, moulded, stamped or forged, but not further worked	3%
741999	- Copper and articles thereof Other articles of copper.	4.3%
ARTIFICIAL FLOWERS		
670290	-Artificial flowers, foliage and fruit and parts thereof; articles made of artificial flowers, foliage or fruit.	4.7%
MUSICAL INSTRUMENTS & ACCESSORIES		
920510	Musical instruments; parts and accessories of such articles -Other wind musical instruments	3.2%
9206	Accessories for musical instruments, parts and accessories of such articles - (for example, drums, xylophones, cymbals,	3.2%

	castanets, maracas).	
920810	Musical instruments; parts and accessories of such articles -Musical boxes, fairground organs, mechanical street organs, mechanical singing birds Boxes	2.7%
920890	- Musical instruments; parts and accessories of such articles Musical boxes, fairground organs,.	3.2%
920999	Musical instruments; parts and accessories of such articles -Parts (for example, mechanisms for musical boxes) and accessories (2.7%
CARPETS AND OTHER TEXTILE FLOOR COVERINGS		
570110	-Carpets and other textile floor coverings.--Carpets and other textile floor coverings,	8%
H.570210	-Carpets and other textile floor coverings, woven, not tufted or flocked, whether or not made up, including "Kelem", "Schumacks", "Karamanie" and similar hand-woven rugs.	3%
	--"Kelem", "Schumacks", "Karamanie" and similar hand-woven rugs	
H.570232	-Carpets and other textile floor coverings, woven, not tufted or flocked, whether or not made up, including "Kelem", "Schumacks", "Karamanie" and similar hand-woven rugs.	8%
SPECIAL WOVEN FABRICS; TUFTED TEXTILE FABRICS; LACE; TAPESTRIES; TRIMMINGS; EMBROIDERY		
H.580430	-Tulles and other net fabrics, not including woven, knitted or crocheted fabrics; lace in the piece, in strips or in motifs, other than fabrics of heading 60.02 to 60.06. Hand-made lace	8%
H.580500	-Hand-woven tapestries of the type Gobelins, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries (for example, petit point, cross stitch), whether or not made up.	5.6%
H.581010	-Embroidery in the piece, in strips or in motifs. Embroidery without visible ground	5.8%
H.581100	-Quilted textile products in the piece, composed of one or more layers of textile materials assembled with padding by stitching or otherwise, other than embroidery of heading 58.10.	
SPA PRODUCTS		
H.330499	-Beauty or make-up preparations and preparations for the care of the skin (other than medicaments), including sunscreen or sun tan preparations; manicure or pedicure preparations. Other :] Other	0%
H.330510	-Preparations for use on the hair.--Shampoos	0%
H.330730	-Pre-shave, shaving or after-shave preparations,	6.5%

	personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations not elsewhere specified or included;	
H.340111	-Soap; organic surface-active products and preparations for use as soap, in the form of bars,	0%
H.330499	-Beauty or make-up preparations and preparations for the care of the skin (other than medicaments),	0%
GLASSWARE		
H.701331	-Glassware of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (other than that of heading 70.10 or 70.18).	11% GSP 7.5%
	--[Glassware of a kind used for table (other than drinking glasses) or kitchen purposes other than of glass-ceramics] : Other	
H.701391	-Glassware of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (other than that of heading 70.10 or 70.18).	0%
BAMBOO, RATTAN & OTHER VEGETABLE MATERIALS		
H.140110	-Vegetable materials of a kind used primarily for plaiting (for example, bamboos, rattans, reeds, rushes, osier, raffia, cleaned, bleached or dyed cereal straw, and lime bark). Bamboos	0%
H.140120	-Vegetable materials of a kind used primarily for plaiting (for example, bamboos, rattans, reeds, rushes, osier, raffia, cleaned, bleached or dyed cereal straw, and lime bark).-Rattans -	0%
H.140190	-Vegetable materials of a kind used primarily for plaiting (for example, bamboos, rattans, reeds, rushes, osier, raffia, cleaned, bleached or dyed cereal straw, and lime bark).--Other	0%
H.200591	-Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 20.06.--[Other vegetables and mixtures of] Bamboo shoots	17.6%
H.440210	-Wood charcoal (including shell or nut charcoal), whether or not agglomerated.--Of bamboo	0%
H.440921	-Wood (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rebated, chamfered, V-jointed, beaded, moulded, rounded or the like) along any of its edges, ends or faces, whether or not planed, sanded or end-jointed.--[Non-coniferous :] Of bamboo	0%
H.460120	-Plaits and similar products of--Mats, Matting and Screens of Vegetable Materials	
H.460121	-Plaits and similar products of--[Mats, matting and screens of vegetable materials :] Of bamboo	3.7%

H.460122	-Plaits and similar products of--[Mats, matting and screens of vegetable materials :] Of rattan	3.7%
H.460192	-Plaits and similar products of--[Other:] Of bamboo	3.7%
TOYS		
H.4421900	-other articles of wood;. Other :--Handicraft	0%
H.95039090	-Other:	0%
H.95043090	-Other games, operated by coins, banknotes, bank cards, tokens or by other means of payment, other than bowling alley equipment :	0%
H.950490	-Articles for funfair, table or parlour games, including pintables, billiards, special tables for casino games and automatic bowling alley equipment.	0%
H.950510	-Festive, carnical or other entertainment articles, including conjuring tricks and novelty jokes. Articles for Christmas Festivities	0%
H.950590	-Festive, carnical or other entertainment articles, including conjuring tricks and novelty jokes.	2.7%

Source: EU Export Help Desk: <http://exporthelp.europa.eu>

Trademarks

A registered trademark (warenmerken in Dutch) is used to prevent the use of similar name or sign on comparable article by other people. Well-known trademark is used for products which are not comparable, this may be prohibited in case it has demonstrably damaging effect on the product which has a registered trademark. Trademarks are protected under the provision of the Benelux Trademark Act. This Act secures a trademark obtain in Belgium, The Netherlands or Luxembourg, throughout the entire Benelux area. Naturally, unless the trademark has been both deposited and registered with Dutch trademark office in Rijswijk, protection will not be secured

The Madrid Arrangement of 1974 was made in order to protect international trademarks. By and large this Arrangement works upon principals comparable to the above-mentioned ones. In case one wants a trademark , Registered with the Benelux Bureau for the protection of industrial property in Geneva.

Trade Name

To prohibit the use of misleading, confusing or even false names, the trade name act (Handelsnaamwet) was introduced. This act secures the name under which a specific business is carried out. All used trade names ought to be registered in the so-called Trade Register. This act lays down that any existing trademark will always take precedence over a trade name.

3. SOURCES

Sources:

CBI Website: www.cbi.eu
(EU legislation) www.europa.eu.int/eur-lex/en/index.html
EU Export Helpdesk: <http://exporthelp.europa.eu> (requirements, taxes, VAT)
BRC (UK standard): www.brc.org.uk
SA 8000: www.sa-intl.org
ISO quality mgmt www.iso.ch
Fair Trade: www.fairtrade.net
www.fairtrade.org.uk

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