

LEGISLATIVE DECREE NO.10 OF 1990 WITH RESPECT TO CONTROL OVER PEARLS AND STONES OF VALUE

We, Isa bin Sulman Al Khalifa, Amir of the State of Bahrain, having examined the Constitution, and Amiri Order No.4 of 1975, and Legislative Decree No.6 of 1990 with respect to Control Over Precious Metals, and upon the submission of the Minister of Commerce and Agriculture, and with the approval of the Council of Ministers

HEREBY ENACT THE FOLLOWING LAW:

Article 1

For the purpose of enforcing the provisions of this Law, the words shall have the meaning assigned against each of them:

1. Stones of Value: Natural precious stones and artificial stones.
2. Natural Precious: Precious stones so made by nature.
3. Artificial Stones: Manufactured stones identical to natural precious stones in atomic structure and physical and chemical features.
4. Natural Pearls: Pearls which are naturally formed in oysters without man's interference iv. the formation.
5. Cultured Pearls: Pearls formed in oysters through man's interference.
6. Laboratory: Bahrain's laboratory for testing pearls and stones of value at the Ministry of Commerce and Agriculture.

Article 2

The sale of pearls and stones of value shall be banned unless each is accompanied by a receipt issued by the competent authority indicating the description of the stone, its name and kind

Article 3

The Ministry of Commerce and Agriculture shall undertake supervision and control over the manufacture, trading in and import of pearls and stones of value and jewellery made thereof. It shall also undertake testing them after obtaining agreement of the concerned person to the terms and procedures of testing at the Laboratory.

The Minister for Commerce and Agriculture shall issue the necessary orders for the control and inspection requirements and for designating the inspectors assigned to undertake this task

Article 4

Without prejudice to the provisions of Article 5 of this Law, laboratory testing shall be carried out on imported pearls, whether punctured or unpunctured or manufactured for

pure pearl jewellery or used in gold or silver jewellery for the purpose of trading, in accordance with the requirements set forth by an order to be issued by the Minister for Commerce and Agriculture.

Article 5

Trading in cultured pearls shall be prohibited, even though they are inlaid in jewellery items.

Article 6

Exhibitions of pearls and stones of value may only be staged by permit issued by the Minister for Commerce and Agriculture and pursuance of the requirements and procedures laid down for this.

The above mentioned permit may exempt the exhibits from testing or any other measures provided for in this Law or in its implementing regulations where the object thereof is only to display them for the public.

Article 7

The Minister for Commerce and Agriculture shall, subject to an approval of the Council of Ministers, issue an order fixing testing fees and any other fees due in pursuance of the provisions of this Law and any other matters requiring the levy of fees.

Article 8

A committee shall be formed, by an order of the Minister for Commerce and Agriculture, comprising those responsible for trading in pearls and stones of value and members from the Ministry of Commerce and Agriculture. Such committee shall be empowered to conduct consultations and co-ordination on matters relating to the trade in pearls and stones of value and defining the terminology used in this trade. The implementing regulations shall contain a list of the said terminology.

Article 9

Notwithstanding harsher penalties provided for in the Penal Code or any other Law,

- a) A prison term of not more than one year and a fine not exceeding BD1,000 or either penalty, shall be imposed on any person who :-
 1. sells, offers for sale or possesses cultured pearls for the purpose of trading
 2. alters a testing certificate issued by the Laboratory or issues a testing certificate and attributes it to the Laboratory.
 3. effects a change or replaces any pearl or stone of value after testing and sells it with the original certificate issued by the Laboratory.
- B) A prison sentence of no more than six months and a fine of no more than BD500, or either penalty, shall be imposed on any person who violates the other provisions of this Law or its implementing regulations.

The penalty shall be multiplied where the offence provided for in the two preceding paragraphs recurs in which case the seized items shall be confiscated and the premises shall be closed for a period not less than one week and not more than six months

Article 10

The Court may, in the case of conviction for the offences provided for in this Law, order that a summary of the judgement or its text be published in one local newspaper or more and order that such summary or text of the judgement be posted in the places and for the period it determines. Such publication and posting shall take place at the expense of the convicted party.

Article 11

A business owner shall be jointly responsible with its managers or any person undertaking its management, for any violation of the provisions of this Law or the orders issued for its enforcement. He shall be liable for the penalties laid down for them, unless he proves that he has not been able to prevent such offence.

Article 12

The Minister for Commerce and Agriculture shall issue the implementing regulations of this Law, which shall contain the necessary rules and requirements for its enforcement, particularly the following:

- a) The terminology used in the trade of pearls and stones of value.
- b) The requirements to be satisfied and the procedures to be followed in testing pearls and stones of value at the Laboratory.
- c) The fees to be paid for testing pearls and stones of value and the issue of the necessary certificates and any other matters requiring the payment of fees and the manner of collecting such fees.
- d) Requirements of permits to stage exhibitions of pearls and stones of value.

Article 13

The Ministers, each in his respective capacity, shall implement this Law, which shall come into effect from the date of its publication in the Official Gazette.

Signed: Isa bin Sulman Al Khalifa
Amir of the State of Bahrain

Issued at Riffa Palace
On 17 Dhilque'edah 1410 Hijra
Corresponding to 10 June 1990

MINISTERIAL ORDER NO. 6 OF 1997 WITH RESPECT TO THE IMPLEMENTING REGULATIONS OF LEGISLATIVE DECREE NO. 10 OF 1990 WITH RESPECT TO CONTROL OVER PEARLS AND STONES OF VALUE

The Minister for Commerce,

having examined Legislative Decree No. 10 of 1990 with respect to Control over Pearls and Stones of Value,

and upon the submission of the Ministry's Undersecretary,

HEREBY ORDERS:

Article 1

For the purpose of enforcing the provisions of these Regulations, the following words shall have the meanings assigned against each:

Ministry: Ministry of Commerce.

Minister: Minister for Commerce.

Laboratory: Bahrain Gems and Pearls Testing Laboratory at the Ministry.

Article 2

The sale of pearls and stones of value shall be accompanied by a receipt issued by the seller, provided that the following information shall be included:

- Shop's name and commercial registration number.
- Buyer's name.
- Goods' description indicating the kind, colour, shape and weight.
- Date of sale.

The seller shall maintain a copy of the sale receipt for a period of no less than three years from the date of its issue.

Article 3

Every person who wishes to have pearls, stones of value or their articles tested, shall submit an application for their examination at the laboratory as follows:

1. The Ministry shall maintain a copy of the receipt issued to the applicant confirming receiving the goods to be tested using the form prescribed by the Ministry for this purpose, provided that the name of the owner and the description of the goods shall be included.

2. The goods shall be returned to the applicant according to the receipt given to him previously.

In all cases where the testing of pearls and stones of value takes place - according to the provisions of these Regulations - at the laboratory, a certificate shall be issued concerning such testing its results to the owners using the prescribed form issued by the Ministry for this purpose. The testing which an exemption from the above shall be applicable to the tests the results of which are required to be given verbally.

Article 4

Imported pearls shall be examined whether they are pierced, non pierced, made into jewellery or included in gold or silver articles whenever required for trading, subject to the following:

1. The Directorate of Customs and Ports shall deliver the imported goods in sealed containers bearing the seal of the Directorate within a reasonable time from their arrival into the country using the form kept for this purpose.
2. The importer shall deliver the goods immediately to the laboratory which shall test them within a reasonable period of time.
3. The laboratory shall notify the importer to collect his! its goods within one week from the completion of the tests, provided that the goods and the test results shall be kept in sealed envelopes bearing the Directorate's seal.
4. upon collecting the goods from the laboratory, the importer shall immediately hand over the goods to the Directorate of Customs and Ports.

In the case where the laboratory decides that the imported pearls are of the cultivated type, the importer shall re-export the goods within one month from the date of handing them over to the Customs Directorate for testing in the laboratory.

Article 5

Importers shall file applications to the Ministry for testing the pearls according to the conditions set forth in the Order to be issued by the Minister for Commerce.

Article 6

The laboratory shall adopt the necessary measures to maintain the safety of the goods delivered thereto.

Article 7

The Minister shall, with the approval of the Council of Ministers, issue an Order prescribing the fees to the Ministry according to the provisions of the above mentioned Law No. 10 of 1990, provided that such fees shall include the fees to be paid against testing the pearls and stones of value, and the certificates as given in the schedules attached to these Regulations.

Article 8

Any natural or corporate person shall be prohibited from holding pearl and stones of value exhibitions before obtaining the required permit for this purpose from the Minister. The holding of such exhibitions shall be according to the following procedures and conditions:

1. The person concerned shall submit an application to the Ministry to hold an exhibition indicating the place and duration of the exhibition.
2. A detailed list of the goods to be exhibited shall be attached to the application.
3. The exhibitors shall facilitate the inspectors' work provided for in Article 15 of these Regulations during the period of the exhibition.
4. He shall follow the procedures and conditions required by the other relevant authorities for holding this exhibition.

The Minister may include in the above permit, the exemption of exhibits from the above conditions - except for the last condition- or any other procedures provided for in Law No. 10 of 1990 in the case where the purpose of holding this exhibition is to exhibit the goods to the general public only.

Article 9

A committee shall be formed, by an order of the Minister for Commerce to be called "Pearl and Stones of Value Merchants Committee" consisting of three representatives from the Ministry and three representatives from the traders in the above trade.

The term of office on this committee shall be a three year term from the date of issuing the order for its formation. The said period may be renewed for similar terms.

Article 10

The committee shall be concerned with the matters provided for in Article 8 of Law No. 10 of 1990. Any person who works in the aforesaid trade, shall be aware of the terms issued by an Order of the Minister for Commerce.

The committee shall convene its meetings at the Ministry's premises upon an invitation from its chairman. The invitation shall determine the date and venue of the convention, in addition to the meeting's agenda.

The meetings of the committee shall be considered valid if attended by the majority of its members, provided that the chairman of the committee shall be amongst them.

Article 11

The resolutions of the Committee shall be adopted by the majority vote of members present, and in case of a tie the chairman shall have a casting vote.

Article 12

If the office of a member is vacant for any reason before the expiry of his term of office, the Minister may appoint a replacement from the same authority which he represents.

Article 13

The Committee shall have a Secretary who shall prepare and maintain records required for the Committee's business, prepare the minutes for every meeting wherein shall be recorded summary of resolutions adopted at each meeting. The chairman and the secretary shall jointly sign the minutes.

Article 14

The committee may seek the assistance experts, if such necessity arises, provided that they shall not have the right to vote on the committee's resolutions.

Article 15

The inspectors designated by an Order issued by the Minister, shall be empowered to control and inspect the industry, trade and import of pearls, stones of value and their jewellery, and draw up statements of any violations that may occur in this respect.

For the purpose of carrying out their tasks, they shall have the power inspect books, documents, related registers and shall with the approval of the person concerned, take samples to be tested at the laboratory.

Article 16

Everyone who violates the provisions of these Regulations, shall be liable for the penalties provided for in Article 9 of Law No. 10 of 1990.

Article 17

The Undersecretary of the Ministry of Commerce shall implement this Order which shall come into effect from the date of its publication in the Official Gazette.

Signed: Au Saleh Al Saleh,
Minister for Commerce.

Issued on: 5th Rabie Awwal, 1418 Hijra,
corresponding to: 9th July, 1997.

MINISTERIAL ORDER NO.(10) WITH
RESPECT TO DETERMINATION OF FEES FOR INSPECTION AND HALLMARKING OF
PEARLS AND STONES OF VALUE

The Minister of Commerce,

Having reviewed Legislative Decree No.10 of 1990 with respect to Control of Pearls and Stones of Value,

And Ministerial Order No.6 of 1977 with respect to the Implementing Regulation of Legislative Decree No.10 of the Year 1990 with respect to Control of Pearls and Stones of Value,

And Ministerial Order No.4 of 1991 with Respect to Fees for Testing Pearls and Stones of Value,

And upon the submission of the Undersecretary of the Ministry of Commerce and with the approval of the Council of Ministers,

Hereby Orders the Following:

Article 1:

In the application of the provisions of this Order, the following words and expressions shall have the meanings assigned against each:

1. Sample Test: It is test of samples of a collection of stones or pearls which are more than 10 stones or 10 pearls with the issue of a laboratory report in this regard.
2. Complete Test: It is a mandatory test for a collection of stones or pearls which are less than 10 pearls or stones. Such test shall take place as desired by the applicant for identifying the quality of each pearl or stone whether individually or set in a necklace, rows of pearls or inlaid in jewellery.

Article 2:

The fees indicated in the attached Table shall be charged for testing pearls and stones of value at the Ministry of Commerce's laboratory.

Article 3:

Ministerial Order No.4 of 1991 with respect to Fees for Testing Pearls and Stones of Value shall be revoked.

Article 4:

The Undersecretary of the Ministry of Commerce shall implement this Order which shall come into effect from the date of its publication in the Official Gazette.

Signed: Ali bin Saleh Al Saleh
Minister of Commerce

Issued on 22nd Shaaban, 1425 Hijra
Corresponding to 6th October 2004 AD

Section One

Pearl Testing Fees

		Fees	
Comprehensive Test	Testing of single natural pearls and pearls inlaid in jewellery where they are less than 10 pearls	Testing fees shall be charged at the rate of BD2.000 per carat which shall not be less than BD2.000 as minimum and shall not be more than BD25.000 as a maximum for each pearl.	
	Testing of necklaces, rows, beads of pearls and also testing a collection of individual pearls which are more than 10 pearls covered by a single report.	Individual pearls	Necklaces, rows of pearls & beads
		Testing fees BD40.000 + BD10.000 for every additional radiograph	Testing fees BD40.000 + BD10.000 for every additional radiograph.
	Testing pearls naturally fixed or stuck in oysters	A test fee of BD8.000 shall be charged for every pearl.	

Section One

Pearl Testing Fees

		Fees
Sample Testing	Testing single-row necklaces, beads of pearls or a collection of individual pearls (more than 10 pearls), a collection of granular pearls, mishlah or pearls inlaid in pearls.	Testing fees BD15.000+ BD5,000 for every additional radiograph.
	Necklaces of pearls consisting of more than one row or a number of rows.	Standard testing fees BD15.000+ BD5,000 for every additional row.
Unnatural Pearls	Cultured pearls.	50% less than the testing of natural pearls provided that the testing fee shall not be less than BD2.000 as a minimum.
	Imitated pearls	BD2.000

Notes:

1. For conducting a comprehensive test of the necklaces, bracelets, etc... containing pearls, the throat must be cut to inspect each pearl separately and the pearls will be returned to the concerned person in the form of individual pearls.
2. Mishlah and granular pearls shall be exempted from comprehensive testing.
3. Individual pearls weighing less than 0.25 carats shall be exempted from comprehensive testing.

Section Two

Stones of Value Testing Fees

		Fees
Comprehensive Test	Individual stones, stones inlaid in jewellery (which are less than 10 stones), unpolished stones (First Class stones) and stones manufactured by modern methods.	Testing fees will be charged at the rate of BD1.500 per carat, provided that the minimum of testing fees will not be less than BD2.000 and a maximum of BD20.000 per stone.
	Other individual precious stones (Second Class stones) inlaid in jewellery (which are less than 10 stones) and unpolished stones.	Testing fees will be charged at the rate of BD1.000 per carat, provided that the minimum of testing fees will not be less than BD2.000 and a maximum of BD12.000 per stone.
	Plastic and glass designs	A minimum of BD2.000.

Section Four Other Fees

Issuing a copy of a laboratory report		BD2.000
Urgent Test (as deemed necessary by professionals)		50% increase over the standard test fees during a period of no less than 3 days. 100% increase over the standard test fees during 24 hours.
Use of advanced equipment in the test		BD20.000 per hour in addition to the standard fees.
Courses and Training	A one-day course in precious stone science and gemology.	BD15.000 per day.
	Use of laboratory equipment for every day.	BD15.000 per day.
Any jewellery item that contains pearls or stones but is not classified among the above its will be subject to charging the fees according to an estimate to be agreed upon by three specialists at the laboratory so that they do not exceed the maximum prescribed for each of the aforesaid items.		

A copy of a laboratory report will not be issued if it has been prepared more than three years ago.

Stones of Value Test Fees

Comprehensive Test	Ornamental designs, inscriptions and oysters	BD5.000	
Sample Tests	Individual and polished stones, necklaces, beads and stones inlaid in necklaces and bracelets (of more than 10 stones).	First Class Stones	Second Class Stones
		Test fees BD15.000	Test fees BD8.000
Verbal Test	Polished stones inlaid in rings and pairs of earrings (of more than 10 stones).	Test fees BD10.000	Test fees BD5.000
	All precious stones	BD2.000	
	Glass and plastic	BD2.000	

If jewellery contains first Class or Second Class stones, the test fees will be charged at the rate of the class that contains most stones.

Section Three Diamond Test and Grading Fees

Diamond test and grading fees	Fees	
	Weight in Carats	Rate in BD
	0.25-0.46	12.000
	0.47-0.99	22.000
	1.000-2.99	30.000
	3.00-4.99	50.000
	5.00-7.99	80.000
	8.00-9.99	120.000
Diamonds weighing more than 10 carats	BD25.000 per carat including identification and grading of ordinary diamonds.	
Colour and treated diamonds	Fees will be the same as the fees for Category (1) in addition to BD20.000 being the fees for use of an advanced equipment to identify the treatment processes in diamonds or quality of the diamond's colour.	

In case it is proved that the diamond is treated by one of the well-known processes and no test and grading can be done for it, the test fees will be according to the fees of the stones of value.