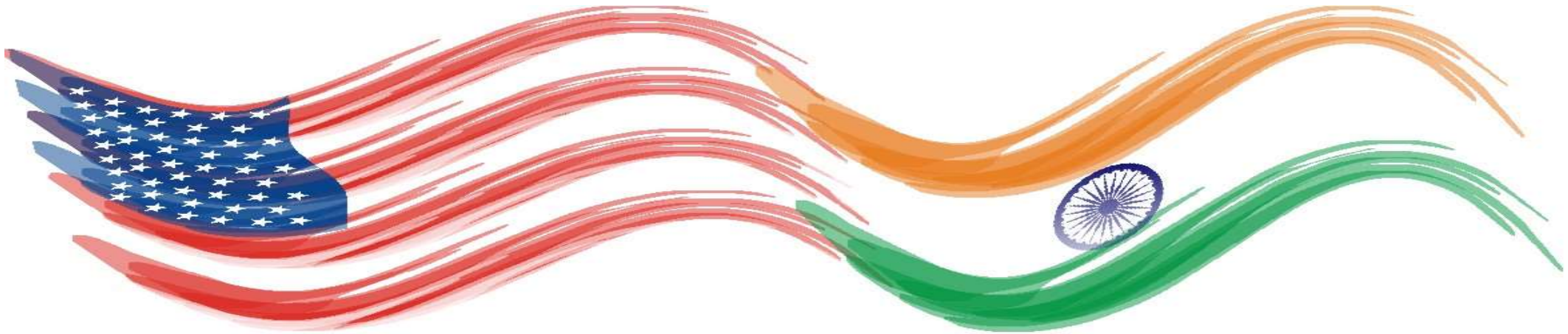


India-USA Gem & Jewellery Trade Relations with special reference to Cut & Polished Diamonds

January 2020



**Gem & Jewellery Export Promotion Council (GJEPC)
Statistics Department
(Research and Analysis Unit)**

Contents

S.No.	Particulars	Page No.
1	About GJEPC	3-4
2	G&J Global Value Chain and Role of India's Gem & Jewellery Sector	5
3	India's Gem & Jewellery Sector	6-8
4	Indian Diamond Industry	9-15
5	India - USA Gem and Jewellery Bilateral Trade At a Glance	16-17
6	GJEPC Key Initiatives & Sustainable Development Goals (17) - Present Status	18

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1. About GJEPC



GJEPC : India's apex body for Gems & Jewellery sector

1. Set up in 1966, under the Supervision of the Ministry of Commerce & Industry, Govt. of India
2. Represents more than 6,500 members

GJEPC : Key Functions

1. Promote and facilitate Gem & Jewellery trade from India to Global markets
2. Bridge between international trade bodies and India
3. Works with trade and government to bring policy changes and reforms
4. Offers Consultancy/other Services to the Industry

GJEPC : Provides International leadership in trade related matters

1. KP Chair
2. Active participant in the Kimberley Process platform and importing- exporting authority for KPCS in India
3. MyKYCBank platform – Self Regulation Measure to help industry meet FATF obligations



Gem & Jewellery Sector...

... A Significant Industrial Sector for Indian Economy

Employment

4.64 Million

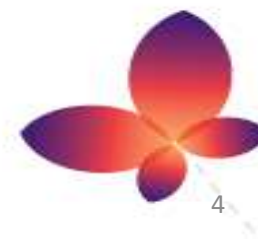
Exports

US\$ 39.76 billion

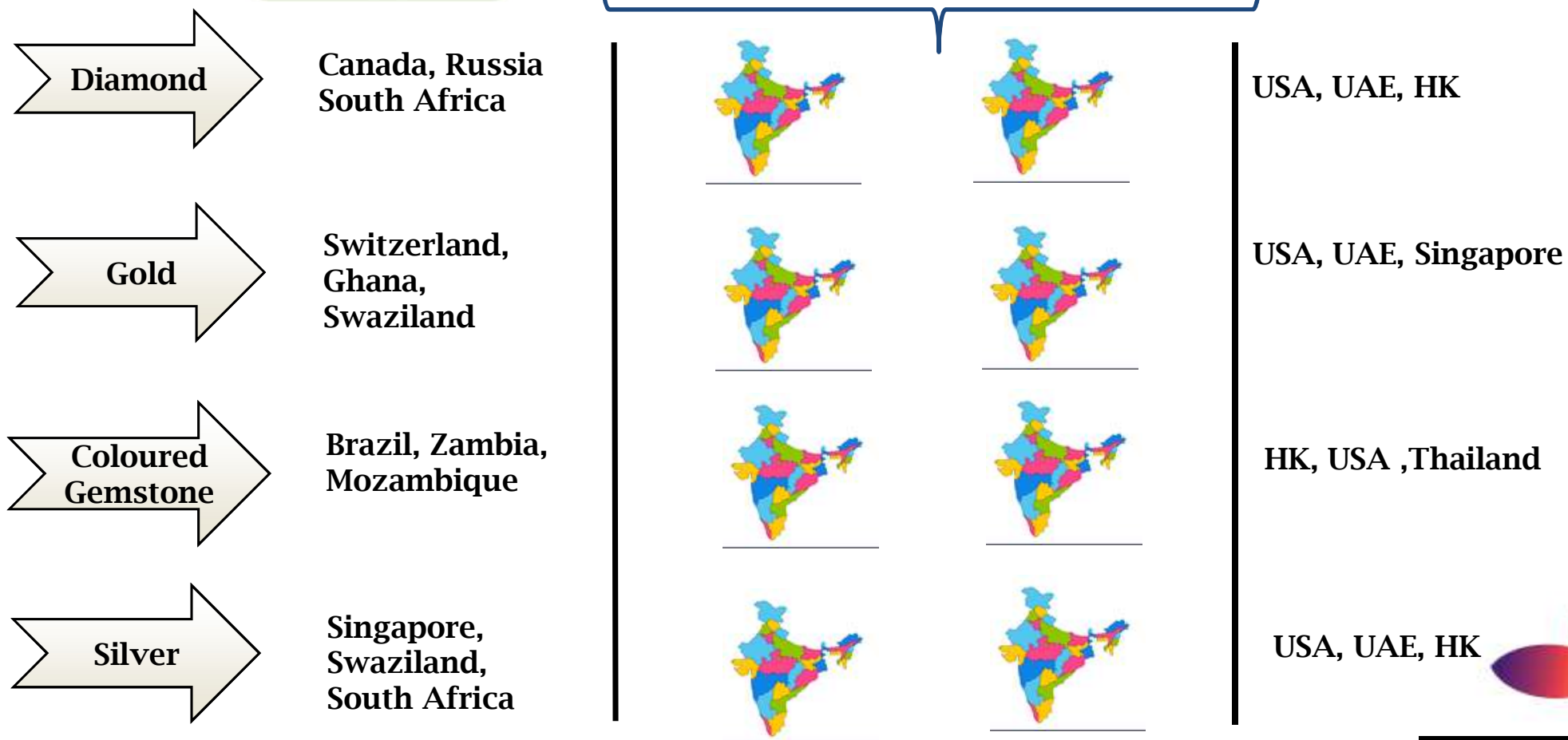
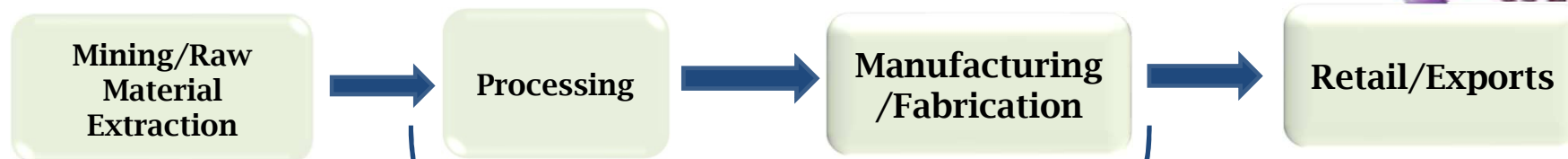
**% Share in India's
Exports**

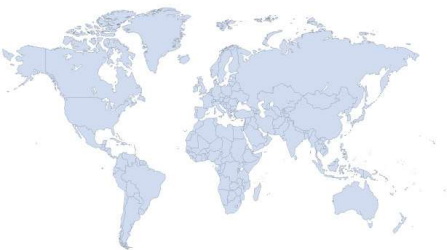
12.05%

Source : Employment – IBEF ; Exports & % share in India's exports – GJEPC ; FY2019



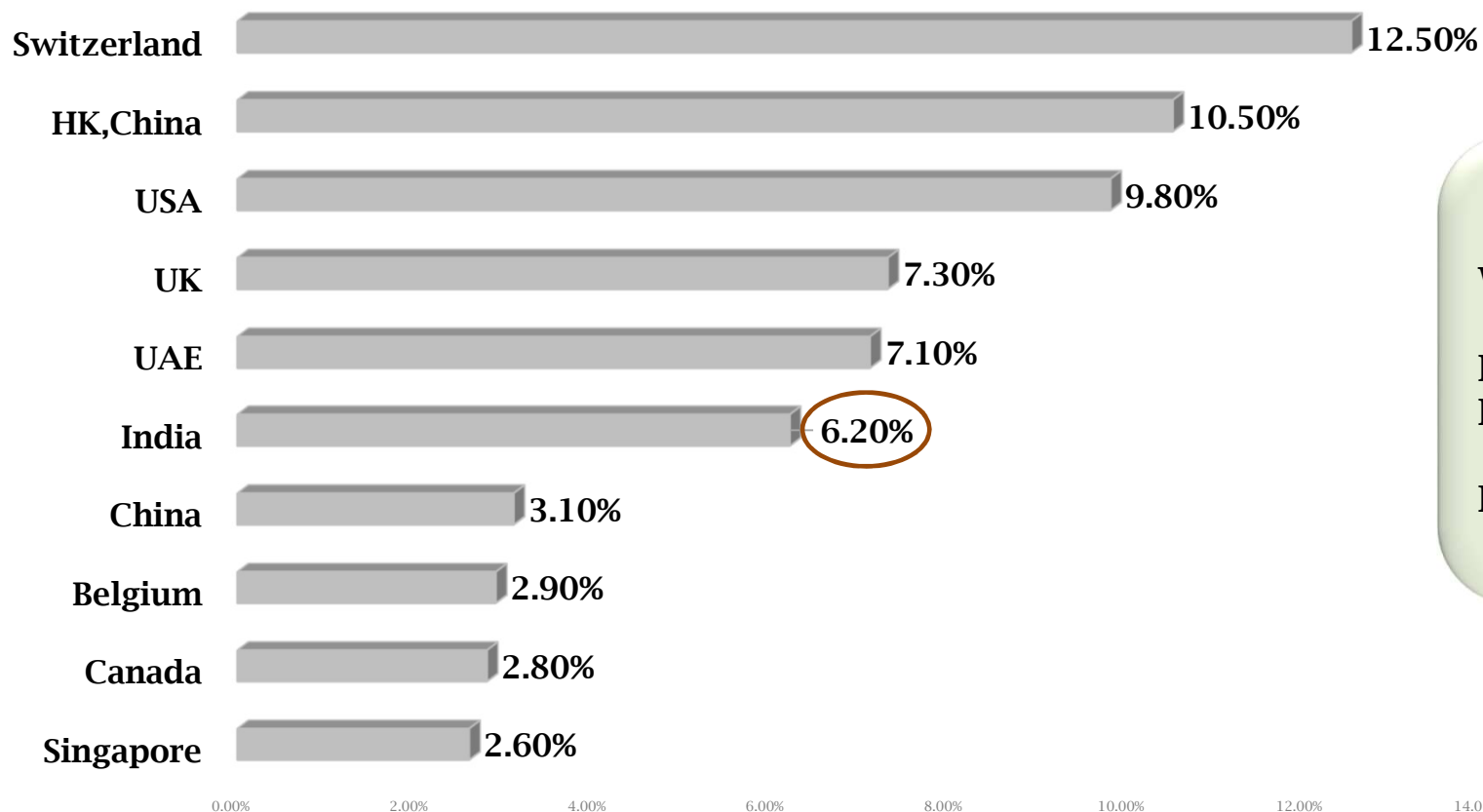
2.G&J Global Value Chain and Role of India's Gem & Jewellery Sector





3.India's Gem & Jewellery Sector...

...A Leading Exporter in World Market



UN Comtrade, 2018

World Exports : US\$ 648 .38 bn

India's % Share in World's Exports - 6.2%

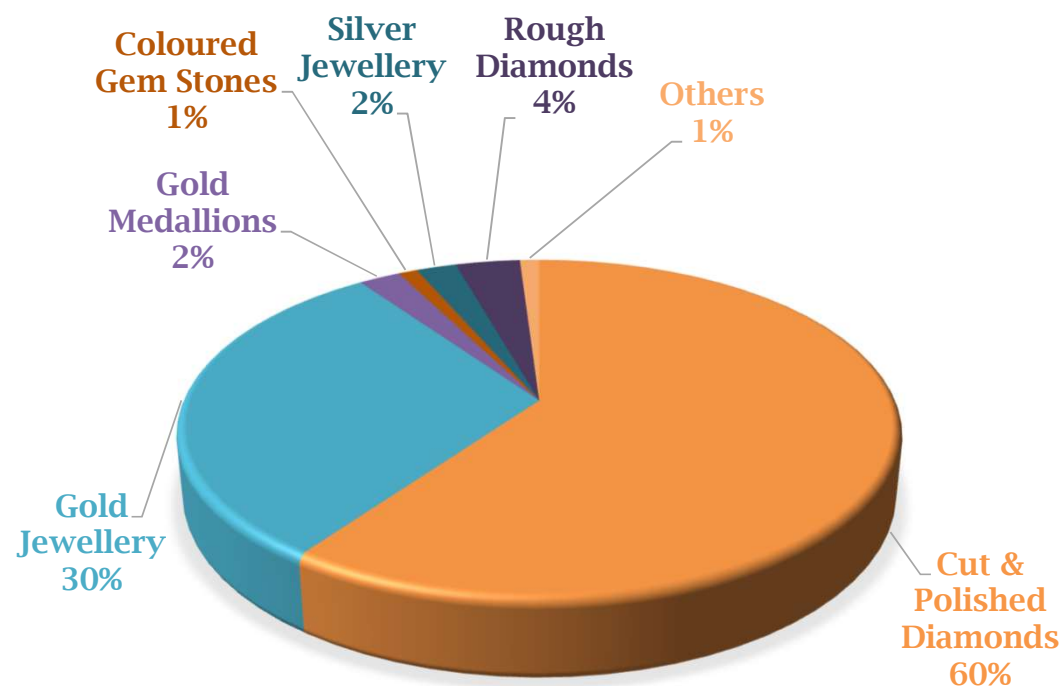
India's Rank - 6th



3.1 India's G&J Exports Basket : FY2019

Commodities	FY 2019 (p)	
	Value (US\$ million)	% share
Cut & Polished Diamonds	23,817.49	59.91
Gold Jewellery	12,064.36	30.35
Silver Jewellery	841.03	2.12
Coloured Gem Stones	397.88	1.00
Synthetic Stones & Pol. LGD	225.70	0.57
Imitation Jewellery	67.71	0.17
Gold Medallions	876.39	2.20
Others	1,466.54	3.69
Total Exports	39,757.10	100.00

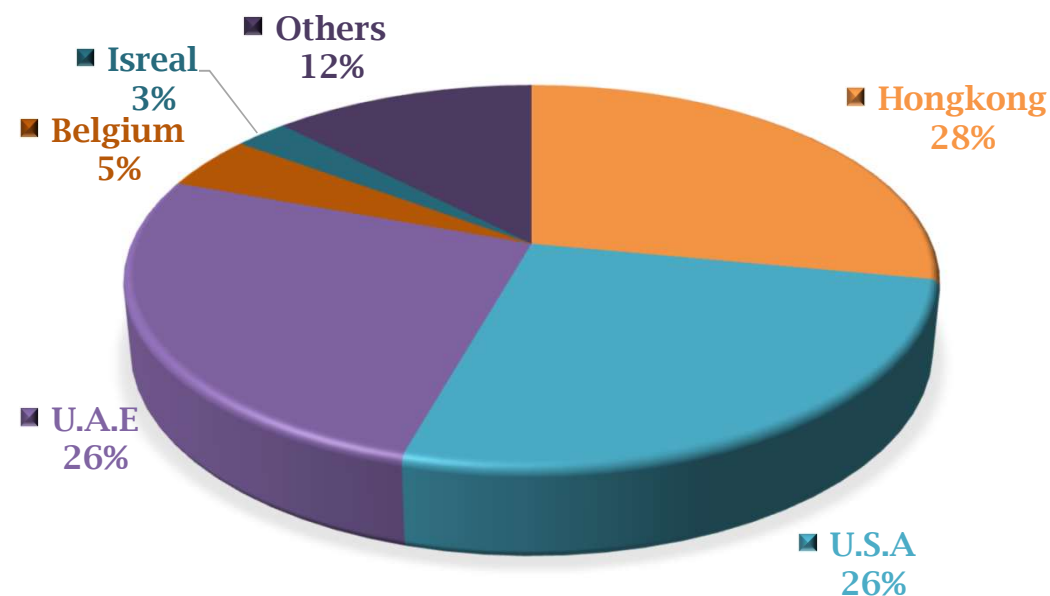
Source : GJEPC Analysis



3.2 India's Top 5 Export Destinations for G&J Products

Sr.No.	Countries	FY 2019 (p)	
		Exports (US\$ million)	% Share
1	Hongkong	11,107.59	27.99
2	U.S.A	10,475.80	26.40
3	U.A.E	10,400.86	26.21
4	Belgium	1,803.22	4.54
5	Isreal	1,006.57	2.54
6	Others	4,885.96	12.31
Total		39680	100

Source : GJEPC Analysis



USA is India's key export destination for G&J Products , comprise of 26% share





4. Indian Diamond Industry

- Undisputed World Leaders in Cut & Polished diamonds.
- India Exports 93 per cent of the world's polished diamonds worth USD 23 billion.
- **14 out of 15 diamonds set in jewellery worldwide are processed in India. One Billion stones Polished each year.**
- Not one Diamond Mine yet the world's largest supplier.
- Vast, Low cost and extremely skilled workforce provides the industry a competitive edge

4.2 India : World's largest Buyer of Rough Diamond...

...Reflecting capabilities of producing Polished Diamonds



Imports in Carats		
Country Name	Volume, Million Carat	% of Share
India	170.01	39.87
European Union	129.32	30.33
United Arab Emirates	75.72	17.76
China, People's Republic of	15.96	3.74
Botswana	10.16	2.38
Others	25.21	5.91
Total	426.38	100.00

40% share in **CARATS** terms

36% share in **VALUE** terms

Source : Kimberley Process Statistics 2018

Imports in Value US\$		
Country Name	Value US \$ Million	% of Share
India	17.22	35.38
European Union	12.26	25.19
United Arab Emirates	7.32	15.04
China, People's Republic of	3.31	6.80
Botswana	2.34	4.81
Others	6.22	12.78
Total	48.67	100.00

KPC Counts Imports		
Country Name	KPC Counts	% of Share
India	35160	55.12
European Union	9978	15.64
United Arab Emirates	6353	9.96
China, People's Republic of	5704	8.94
Botswana	2553	4.00
Others	4045	6.34
Total	63793	100.00

55% share in **COUNTS** terms

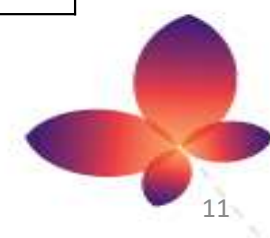
Source : Kimberley Process Statistics 2018



4.3 World Exports of Cut and Polished Diamonds Exports & India's Position in 2018

Particulars	Amount/ % Share
World Exports of Cut and Polished Diamonds	US\$ 88 billion
India's Exports of CPD	US \$ 24.3 billion
India's % Share	27.5%
India Ranking	1 st

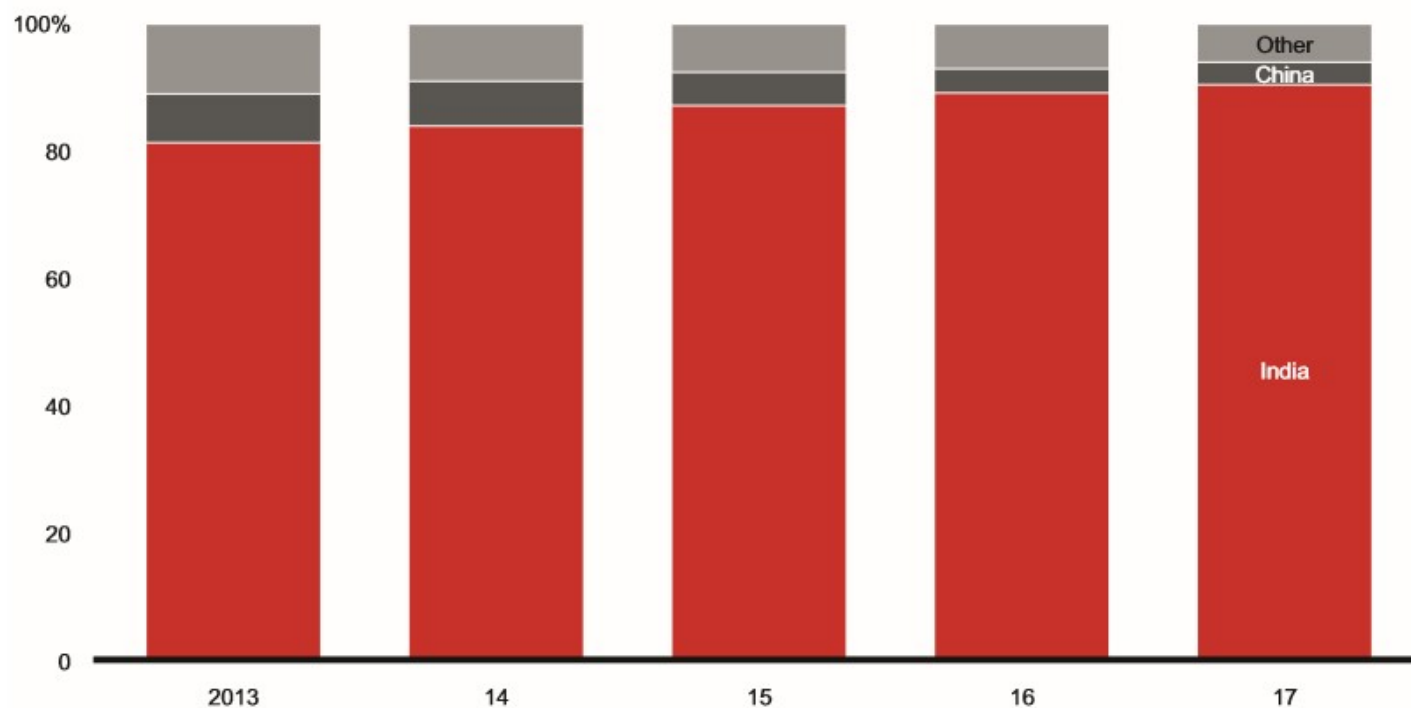
Source : GJEPC Analysis based on UN Comtrade 2018 as on Aug 2019



4.4 India's dominance of the cutting and polishing industry grew in 2017

According to Bain & Company Report, 2018

Net import of rough diamonds to cutting and polishing countries, \$



India accounts for more than 90% of global polished diamond manufacturing by value

Source : Bain & Company, 2018



4.5 Actors Involved for the Growth of Indian Diamond Industry

- ✓ Unique craftsmanship
- ✓ Makes the Product engineering unique and exclusive
- ✓ Continuous cost optimization
- ✓ Advancement of technologies and skills
- ✓ Relatively more developed diamond financing infrastructure is in place
- ✓ One of the finest cutting centers for Emerald, Tanzanite, Morganite



4.6 Flow of Diamonds in India



Belgium (39.61%)



UAE (34.19 %)



Botswana (5.53%)

85 %



Israel (5.07 %)



Russia (3.18%)

India's Key Sources of Rough Diamonds



HongKong (39.30%)

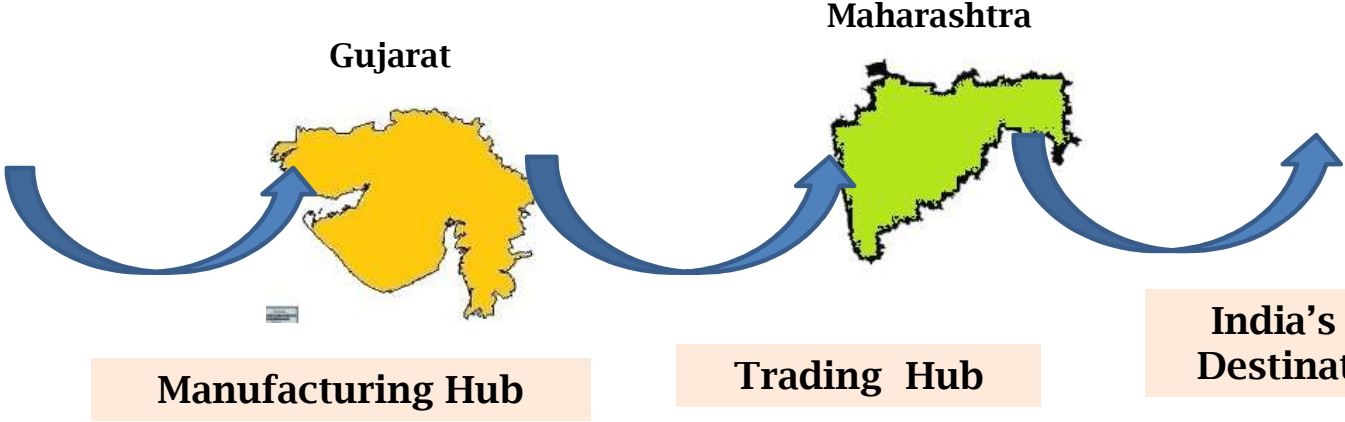


USA (34.67%)



Belgium (7.30%)

80% +



5. India - USA Gem and Jewellery Bilateral Trade At a Glance

India-USA Gem and Jewellery Trade (US\$ million) FY2015-FY2019

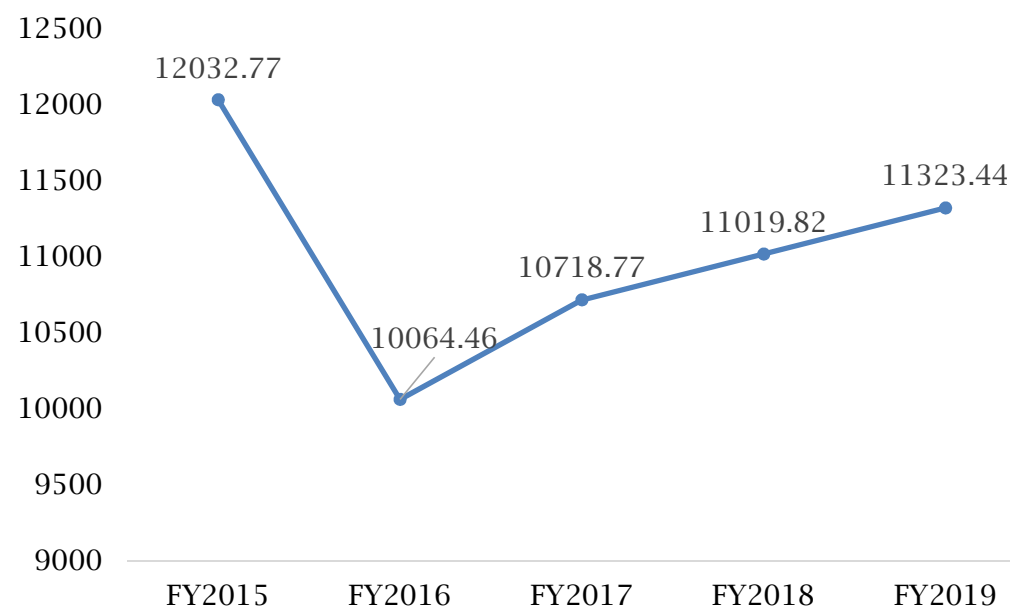
Year	Exports to USA	Imports from USA*	Total Trade
FY2015	8535.14	3497.63	12032.77
FY2016	9064.05	1000.40	10064.46
FY2017	9788.62	930.15	10718.77
FY2018	10075.83	943.98	11019.82
FY2019	10479.12	844.32	11323.44

Source: GJEPC

Note: Import value consists of gold bar, silver bar & platinum bar imports for export purpose only.

Total G&J trade was US\$12.03 billion in FY2015 as compared to US\$11.32 billion in FY2019

India - USA G&J Trade FY2015-2019 (US\$ million)



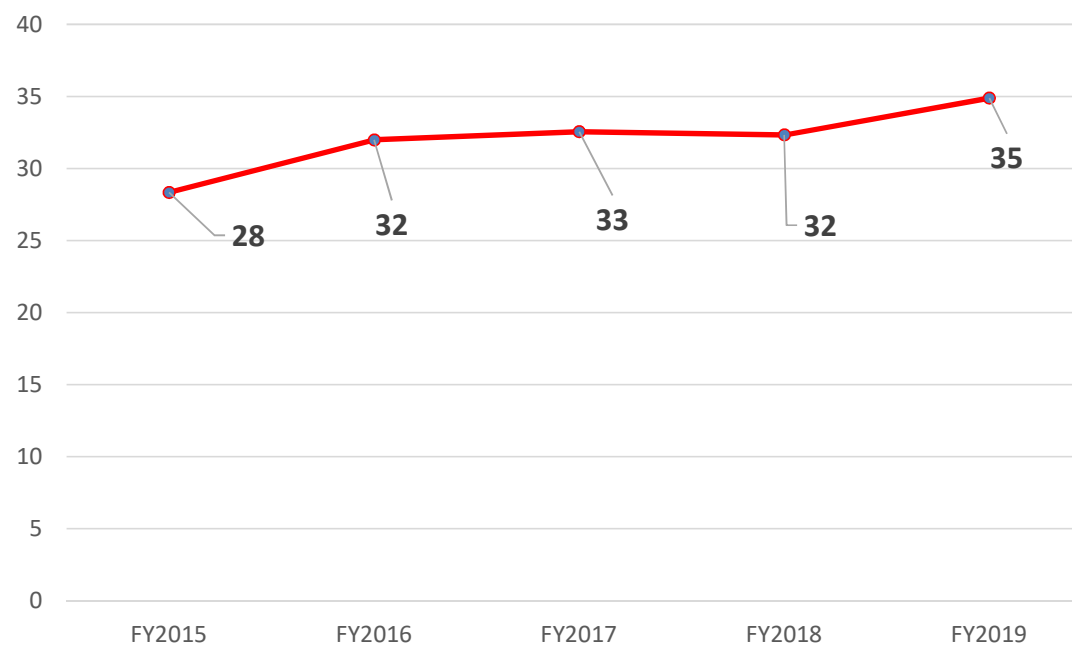
5.1 India – USA Cut & Polished Diamonds Exports At a Glance

**India-USA Cut & Polished Diamonds (US\$ million)
FY2015-FY2019**

Year	Exports to World	Exports to USA	% of Share
FY2015	23160	6563	28
FY2016	20668	6611	32
FY2017	22784	7417	33
FY2018	23723	7670	32
FY2019	23817	8309	35

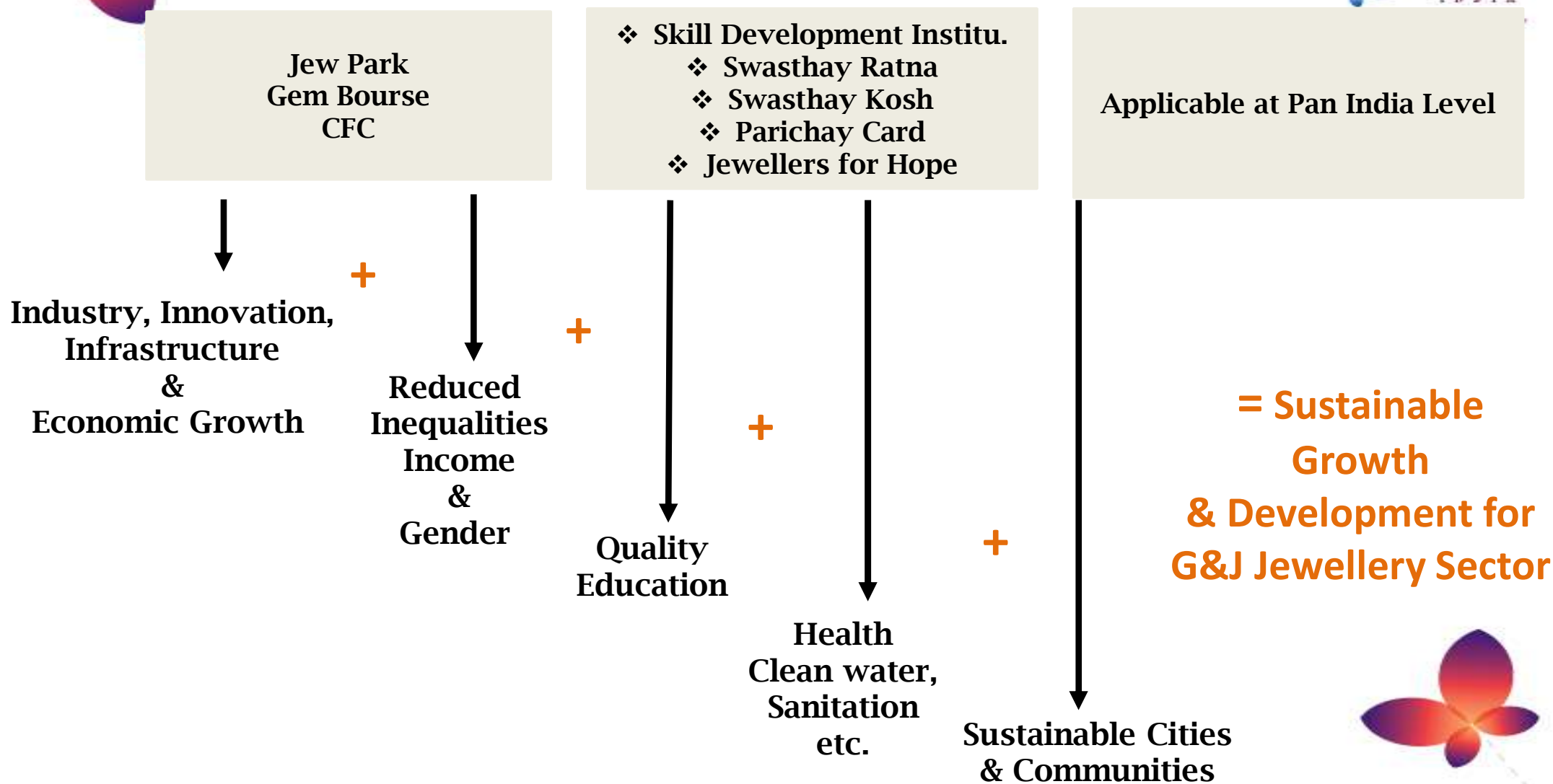
Source: GJEPC

India - USA G&J Trade FY2015-2019 (US\$ million)



USA accounts for 35% share in India's exports of CPD to World

6. GJEPC Key Initiatives & Sustainable Development Goals (17) – Present Status





Disclaimer

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17th January 2020





THANKS

