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PAKISTAN

SUCCESS STORY

A Diamond in the Rough

Gems and jewelry industry reaches for world-class status



An artisan in a Karachi workshop solders gold bangles with a gas flame.

“This has created a buzz of excitement. We are making progress because USAID has taken a role,” said Matiullah Shaikh, a jewelry exporter who joined Pakistan’s first national delegation to a global gems and jewelry trade fair in 2005.

Telling Our Story
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Washington, DC 20523-1000
<http://stories.usaid.gov>

Pakistan’s gems and jewelry sector is often described as a cottage industry, where a typical workshop employs a handful of artisans who craft pieces by hand or with outdated machinery. Most manufacturers do not tailor their jewelry to international markets, which often prefer different styles and standards. Moreover, 75 percent of Pakistan’s \$28 million in exports in the sector are rough stones; despite the country’s abundant mineral reserves, the industry lacks the expertise to cut stones to global standards. When jewelry makers attend global trade fairs as individuals, they fail to attract much attention from buyers. However, the industry has tremendous potential.

Since 2004, a USAID-led working group has been helping representatives of the precious stones and jewelry industry tap into that potential by fostering cooperation between industry players from “mine-to-market.” Since the working group formed, industry representatives have pooled resources, hired international experts for training workshops, sought international certifications, and won crucial recognition of industry status from the government. They have also formed delegations to visit trade shows, gemology institutes, and manufacturers in the United States, Thailand, and India to learn about new machinery, international trends, trade policies, and marketing strategies.

“We are spending our money and our time to get this industry developed for the entire trade, not just for individual owners,” said Shafi Choksy, owner of Jamesy Jewellers on Karachi’s bustling Tariq Road. The jewelry industry is already seeing returns on its investment. At the 2005 Bangkok Gems and Jewelry Fair, 45 delegates representing 18 companies and Pakistan’s small business development authority hosted an exhibit under a single Pakistan brand for the first time, netting more than \$4 million in export orders — equal to 14 percent of total exports the previous year. The sector is enjoying a higher profile both at home and abroad, and is already translating this improved status into tangible gains.

Photo: USAID/Kaukab Jhumra Smith