



REPUBLIC OF TURKEY
MINISTRY OF TRADE



INDUSTRY



GOLD JEWELLERY



TURKEY

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TURKISH JEWELLERY INDUSTRY

Export of jewellery products made of precious metals has increased significantly over the last 10 years in Turkey. This increase elevated Turkey 's standing to one of the global leaders in the industry. Turkey has the total capacity to produce 400 tons of gold and 200 tons of silver annually, however this capacity is not fully utilized. Turkey mostly ranks among the top-five countries in the world in gold jewellery production.

At present, there are more than 50 major companies in which 200-1500 qualified workers are employed. The industry is a huge one amongst the Turkish manufacturing industries and employs about 250 thousand people currently.

The center for gold jewellery production is Istanbul . Jewellery produced by an intense accumulation of information and technology and ornate concept of design are exported to more than 100 countries all over the world.

GOLD JEWELLERY

AN ANCIENT, GREAT TRADITION

Turkey has a great jewellery tradition. Anatolia is a place where jewellery has been produced for 5000 years. In fact, gold was refined first in Anatolia and the first coins were minted again in Anatolia.

All of the civilizations which have inhabited Anatolia have produced numerous objects for both religious and artistic purposes. People worked with metals, sometimes including precious and semi-precious stones. The Hittites, Urartians, Phrygians, Ionians, Lydians, Romans, Byzantines, Seljuks and Ottomans all established their rule in Anatolia and created their own jewellery styles.

The most significant style among the different types of jewellery was brought to Anatolia by the Seljuks. Their great influence on the Turkish jewellery tradition is demonstrated by Turkoman jewels which originated in Central Asia. These are still produced and worn in Turkoman tribes. Although they are produced with the simple tools of traditional technology, these objects display exquisite craftsmanship which challenges contemporary technology.

In Istanbul the jeweller's art gained importance with the growth and prosperity of the Ottoman Empire. During and after the reign of Suleiman the Magnificent, Istanbul became one of the world's most prominent centres for jewellery. Historical sources state that jewellery fairs were held in Istanbul during the reign of Suleiman the Magnificent.

Today, the Turkish gold jewellery industry reflects this rich cultural heritage combined with latest technology, outstanding craftsmanship and modern designs. The unique heritage and level of proficiency in the Turkish jewellery sector allow any design to be created and produced at any amount with supreme craftsmanship, excellent finishing, flexible production and immense variety. Turkey today is fast becoming one of the preferred suppliers for international buyers of gold jewellery.

Traditional Turkish jewellery making techniques include filigree (telkari), niello (savat) and wickerwork (hasir). Filigree is a technique in which the artist creates motifs by soldering together fine silver or gold wires. Since the wire used is often extremely delicate, this technique requires an almost infinite degree of patience. The niello technique is based on tiny, delicately-worked pieces of hand-painted enamel which are partitioned by precious metals. In wickerwork, another technique used by Turkish jewellers, delicate wires are woven together.

PRODUCTION

Today, Turkey is one of the global leaders in gold jewellery production, ranking among the top three countries in the world in this aspect

Turkey has the total capacity of producing 400 tons of gold annually. The industry is a significant one amongst the Turkish manufacturing industries and employs about 250 thousand people currently. There were only one or two workshops with 100-200 people working in the '90s whereas now, there are many huge factories employing a thousand workers or more. The machine park of the industry has been upgraded and a high level of technology has been reached.

In the mid 90's, firms started to employ designers and now most of the world's largest design teams work in Turkey. There are several design departments in the universities and vocational high schools in which designers and qualified employees are trained for the industry.

Currently, the major firms can produce 10 new models per day and taking into account the variations of these models, 70-80 new products can roll out every day in the sector. Hence, the sector has a great level of production flexibility and this is a great advantage for supplying the special design demands of importers.

At present, there are about 5 000 producers and 35 000 retail outlets in the industry. The centre for gold jewellery production is Istanbul, however production in Ankara and Izmir is extensive, as well. In some cities in East and South East Anatolia gold jewellery is also produced to some extent.

Approximately 250-300 tons of jewellery is produced every year in Turkey. Turkey is among the three biggest gold jewellery producers in the world together with Italy and India.

Turkey annually imports an amount of gold varying in between 100-200 tons in recent years. The imports were approximately 351 tons 2013. Only the Central Bank of Turkey and members of the Istanbul Gold Exchange who have the relevant certificate can import gold into Turkey.

Domestic demand for gold jewellery is high because most Turkish people buy it both for adornment and as a means of saving. In the 90's some 4 -5 thousand tons of gold was believed to be kept in homes in Turkey. In this respect, Turkey ranked second in the world following India in personal gold investment.

Istanbul Gold Exchange - IGE was established in 1995 at Istanbul with the objectives of liberalising the Turkish gold sector and integrating with international markets. There are 91

authorised members of the Istanbul Gold Exchange (www.iab.gov.tr) which consists of commercial banks, precious metals companies and currency offices that obtained their membership certificate from the Undersecretariat of Turkish Treasury. Only these members are eligible to import and trade gold and other precious metals on the market.

The Istanbul Gold Refinery - IGR (www.iar.com.tr) started production in 2002. The refinery has the technology to produce 999,9/1000 purity gold and has the capability to convert scrap or doré gold bars into 995/1000 purity bullions. IGR operates in the Jeweller's City (Kuyumcukent) and a Display Center for its products in Istanbul's famous Grand Bazaar (also known as the Covered Bazaar) which for centuries has been the heart of the Gold Trade and jewellery production in Turkey. IAR have services of precious metal sales, dore gold refining, supply of gold bullions and alloys.

Jewellers' City (Kuyumcukent)

The world's largest, integrated goldsmith center is in Istanbul

A gold jewellery production and trade center, the so called "Kuyumcukent" in Turkish was inaugurated in 2006. It is a complex of 328 000 square meters on a plot of 186 000 square meters. Kuyumcukent has 2 500 production units and shops. The Istanbul Gold Refinery is also located in the complex. (<http://www.kuyumcukent.com.tr>)

EXPORTS

The gold jewellery sector of Turkey has turned its attention to exporting over the last few decades. The saving habits of Turkish people have changed due to developments in the Turkish economy and they have started using other ways of investing besides buying gold jewellery. In addition, in 1993 the export and import restrictions on precious metals were abolished.

Exports totaled 4,3 billion US Dollars in 2017, the major destinations were being the United Arab Emirates, Iraq, Iran, U.S.A., and Hong Kong.

The Turkish gold jewellery companies have started to establish their own distribution channels abroad. The major companies in the industry have shops/corners in the USA, in Europe and in Dubai in the Middle East and in other countries in different regions of the world.

The Turkish gold jewellery industry also enjoys large sales to the foreigners visiting Turkey. The exports and sales made to the tourists in the domestic market altogether constitute 70 % of the industry's total output. Turkish jewellery is recognized worldwide for its beauty, innovation and quality.

Table 1: Turkish Gold Jewellery Exports
Value: US\$ million

Year	Value
2000	384.2
2001	431.1
2002	567.5
2003	707.8
2004	931.9
2005	1.128
2006	1.097
2007	1.490
2008	1.585
2009	1.086
2010	1.443
2011	1.847
2012	2.562
2013	3.307
2014	4.244
2015	3.660
2016	3.676
2017	4.272

Source: Republic of Turkey, Ministry of Trade

Table 2: Turkish Gold Jewellery Exports by Country
HS Code: 711319000011; Value: US\$ million

	2015	2016	2017	2016-2017 % Change	2017 % Share
U.A.E.	1.166.229	1.434.817	1371064	-4,4	32,1
Iraq	454.636	542.091	959448	77	22,5
Iran	857.589	396.909	46307	-88,3	1,1
U.S.A.	144.541	192.736	263337	36,6	6,2
Hong Kong	68.627	109.761	160129	45,9	3,7
Germany	61.096	106.699	182686	71,2	4,3
Morocco	67.768	95.521	50834	-46,8	1,2
Israel	66.551	79.274	101442	28	2,4
Belgium	68.293	71.823	150698	109,8	3,5
Lebanon	42.986	61.102	75149	23	1,8
Libya	73.215	52.243	92779	77,6	2,2
Italy	43.242	44.906	50444	12,3	1,2
Mexico	28.118	33.207	42581	28,2	1
Poland	26.877	31.912	42623	33,6	1
Kyrgyzstan	50.828	30.676	42599	38,9	1
Romania	17.683	28.652	46847	63,5	1,1
Kazakhstan	39.360	27.023	40305	49,2	0,9
U.K.	17.721	22.288	33503	50,3	0,8

Czech Republic	13.779	21.604	29605	37	0,7
Letonia	25.381	20.492	14368	-29,9	0,3
Singapore	44.701	19.164	35011	82,7	0,8
Algeria	24.593	16.421	12571	-23,4	0,3
Spain	14.311	15.770	20917	32,6	0,5
Panama	12.939	15.267	17675	15,8	0,4
Jordan	6.172	14.510	22287	53,6	0,5
Russian Fed.	20.905	14.113	34593	145,1	0,8
Hungary	11.398	13.470	15439	14,6	0,4
Australia	11.755	12.990	12436	-4,3	0,3
Canada	12.819	12.031	14817	23,2	0,3
Total	3.659.853	3.676.267	4272729	16,2	100

Source: Ministry of Trade of Turkey

SILVER JEWELLERY

The first major silver mines and examples of jewellery were recorded around 4000 BC, located in Anatolia. They were mostly the main source of silver for many of the growing cultures in that area of the world and others that would trade for silver.

Silver has been used for thousands of years as ornaments and utensils, for trade, and as the basis for many monetary systems. However, the basic most notable use of silver is its beauty and appeal as an item of jewellery. Silver has always been known to enhance the beauty of precious stones when set into a ring or a necklace.

Since the discovery of silver, Anatolia has been a major center for silver jewellery production. Think about a land which has developed its own techniques and figures in the art of jewellery production for thousands of years. All of the civilizations which have inhabited Anatolia have produced numerous objects for both religious and artistic purposes. People worked with metals, sometimes including precious and semiprecious stones. The Hittites, Urartians, Phrygians, Ionians, Lydians, Romans, Byzantines, Seljuks and Ottomans all established their rule in Anatolia and created their own jewellery styles.

The most significant style among the different types of jewellery was brought to Anatolia by the Seljuks. Their great influence on the Turkish jewellery tradition is demonstrated by Turkoman jewellery which originated in Central Asia, and is still produced and worn by Turkoman tribes. Colored gemstones and pieces of glass with symbolic meanings, as well as silver and gold, are used in this jewellery which is still produced and worn in Turkey.

During the time of the Ottomans, a great importance was given to the jeweller's art. Many goldsmiths came to İstanbul from Khorasan, Tabriz, Bosnia, the Balkans, the Russian border and other parts of the Ottoman Empire in order to show their products and capabilities. With the rise of the Empire, it became much easier for goldsmiths to find the metals and precious stones that they needed for production. During and after the reign of Suleiman the Magnificent, İstanbul became one of the world's most prominent centers for jewellery.

Traditional Turkish jewellery making techniques include filigree (telkari), niello (savat) and wickerwork (hasir). Filigree is a technique in which the artist creates motifs by soldering together fine silver wires. Since the wire used is often extremely delicate, this technique requires an almost infinite degree of patience. In the past, filigree was used for women's belts, bracelets, earrings and brooches. Filigreed women's accessories are now produced in only a few places in İstanbul and in a couple of places in Anatolia, namely Beypazari and Mardin.

The niello technique is based on tiny, delicately worked pieces of hand-painted enamel which are partitioned by precious metals. In wickerwork, another technique used by Turkish jewellers, delicate wires are woven together. Wickerwork is used mostly for silver jewellery such as necklaces, bracelets and earrings. Wickerwork products are mostly used in Mardin, Beypazari and Trabzon.

Today, the Kapalıçarşı (Covered Bazaar in İstanbul) is one of the most important silver jewellery centers in Turkey. The history of the Kapalıçarşı dates back to the 15th Century. The core of the Bazaar was constructed between 1451-1481, during the reign of Sultan Mehmet the Conqueror. The Bazaar was the centre of the domestic and international trade of the Ottoman Empire and it is still the most important trading centre of İstanbul for handicrafts and its famous worldwide. It is assumed that nearly % 90 of silver used in

Turkey is used in Kapalıçarşı. Also you can find silver jewellery items that come from Trabzon, Eskişehir, Beypazarı, Mardin-Midyat, Urfa and Gaziantep.

Turkish jewellery products are inspired by unique, rare collections of jewellery from different civilizations and cultures that have lived in Anatolia. In addition, handcraft and high technological production techniques coexist in jewellery design and production. Now Turkish jewelers are able to combine this unique, historical and cultural heritage with modern production and design capabilities and present its products to the world.

EXPORTS

Although silver jewellery constitutes a small part of the total Turkish jewellery exports, the sector has increased its exports significantly in the past ten years. The export value of silver jewellery sector was 84 million US Dollars by the end of 2016.

In 2016, the major destinations for silver jewellery exports were the USA, Libya, France, Iraq, Germany, Romania and Spain. Turkish silver jewellery was exported to some 100 countries around the world in 2016.

The Turkish silver jewellery industry also enjoys large sales to foreigners visiting Turkey. The sales to tourists usually increases between April and September in the Mediterranean and Aegean parts of Turkey.

**Table 3: Turkish Silver Jewellery Exports
by Year HS: 711311
Value: Thousand US \$**

Year	Exports
2000	4.514
2001	6.175
2002	8.554
2003	13.439
2004	23.250
2005	29.869
2006	42.099
2007	59.812
2008	75.448
2009	68.540
2010	84.324
2011	103.106
2012	111.280
2013	103.993
2014	103.458
2015	96.505
2016	84.470
2017	99.229

Source: Ministry of Trade of Turkey

Turkish Silver Jewellery Exports by Destination
(HS Code: 711311); (Value: US \$)

Country	2015	2016	2017
USA	14.007.907	14.707.907	15.505.252
Libya	12.072.086	12.072.086	7.275.861
France	6.378.877	6.378.877	7.943.301
Iraq	4.919.142	4.919.142	2.182.006
Germany	4.745.209	4.745.209	12.914.520
Romania	4.702.475	4.702.475	4.516.217
Spain	4.428.433	4.428.433	4.399.375
Italy	2.360.289	2.360.289	1.661.375
Kyrgyzstan	1.784.643	1.748.643	1.220.774
Georgia	1.766.981	1.766.981	1.542.124
Morocco	1.577.998	1.577.998	896.628
Nigeria	1.526.545	1.526.545	770.002
United Arab Emir.	1.523.083	1.523.083	1.966.392
Saudi Arabia	1.263.867	1.263.867	3.743.183
Serbia	1.118.209	1.118.209	1.459.580
Thailand	1.102.923	1.102.923	2.098.457
Greece	1.097.614	1.097.614	1.894.690
Israel	1.073.029	1.073.029	2.101.474
Mexico	964.566	964.566	1.287.820
United Kingdom	942.290	942.290	863.317
Total	84.470.334	84.470.334	99.229.737

Source: Ministry of Trade of Turkey

TRADE FAIRS

- [Fairs in Turkey](#)

USEFUL LINKS

- İstanbul Minerals and Metals Exporters' Associations (IMMIB)
www.immib.org.tr/en/
- Turkish Jewellery Association
www.jtr.org.tr/En/Default.aspx



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