

PRESS RELEASE**31 March 2004****VIETNAM TO LOWER TARIFFS ON GOLD IMPORTS**

- **The World Gold Council hails a de-regulatory break-through**

Following consultation with the World Gold Council and representatives from the local gold trade, the Ministry of Finance in Vietnam has announced that it is to lower tariffs on gold imports from tomorrow (1 April 2004). The tax rate is to be lowered from three per cent to one per cent on gold bars and from one per cent to 0.5% on gold grains.

Albert Cheng, managing director of the World Gold Council Far East, has been working with the local gold trade to encourage the government to reduce premiums on gold tael bar selling prices. He welcomed the development: "We are delighted that the decision has been announced to reduce tax rates on gold bars and gold grains. The move will ensure gold imports are channelled through official channels, helping to support the State Bank of Vietnam's drive to stamp out illegal smuggling."

He added: "We also believe the reduced rates will enable gold jewellery manufacturers to reduce production costs and help them to compete on the international stage for their share of the regional market. Finally, the tax reduction will help to drive domestic gold investment in a market where gold is a credible vehicle for saving and investment."

The gold market in Vietnam grew by 5.1% per annum to 58.8 tonnes during the period from 1995 to 2003. It has become the second largest gold within South East Asia, behind only Indonesia. The rapid growth is fuelled by jewellery demand and investment. The latter is particularly important as properties in Vietnam are priced according to their value in gold.

As Vietnam's annual gold mine production is limited to around two tonnes, the majority of gold needed for domestic consumption is imported. Of the 50 tonnes of gold imported in 2003, only 20 per cent made it into the country through official channels. The remaining tonnes were imported through underground operators, with subsequent loss of revenue to the government.

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For further information, photography, or to arrange an interview, contact:

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Notes to Editors:

World Gold Council

The World Gold Council (WGC), a commercially-driven marketing organisation, is funded by the world's leading gold mining companies. A global advocate for gold, the WGC aims to promote the demand for gold in all its forms through marketing activities in major international markets. For further information visit www.gold.org.