



# **LPPM**

## **A BRIEF BACKGROUND**

**31 PLATINUM REFINERS, 28 PALLADIUM REFINERS**

**15 FULL MEMBERS, 39 ASSOCIATE MEMBERS**

**50 AFFILIATES, 2 AFFILIATED EXCHANGE MEMBERS**



## Members Comprise:

- **Primary Producers**
- **Refiners**
- **Product Manufacturers**
- **Financing and Hedging Institutions**
- **Commodity Trading Exchanges**





# **LPPM**

## **Principal Functions**

### **Platinum & Palladium Good Delivery Requirements**

**Volume – 500kg p.a.**

**Technical – Proactive Monitoring**

**Financial – Net Worth Min £15m**

**Reputation – Responsible Sourcing – mandatory from  
January 2020 for activities in 2019**

**Experience – Min 3 years Operating**



# **LPPM**

## **Principal Functions**

### **Over the Counter Markets (OTC)**

- **Facilitates Trading between the Loco London & Zurich Members**
- **Memorandum of Understanding HMRC and LPPM**
- **Maintains The Platinum and Palladium Good Delivery lists**
- **This enables members to trade with confidence - the quantity, quality and purity of physical metal being bought & sold.**



# Events

- **London Platinum Week – seminars and meetings, all major participants in the PGM industry come to London**
- **LBMA/LPPM – Global Precious Metals Conference**





## **LPPM Platinum & Palladium Sponge Accreditation**

- **The most commonly sold form for Industrial applications**
- **Most Good Delivery refiners main production**
- **LPPM members requesting an accreditation system**
- **In order to – promote, streamline, increase liquidity and secure the physical trading in sponge**



## **LPPM Platinum & Palladium Sponge Accreditation**

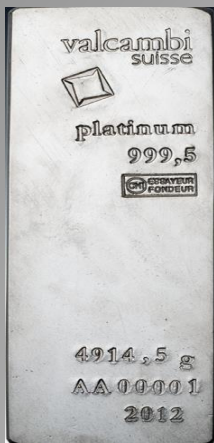
- **LPPM referees already conducted analytical round robins**
- **No significant issues discovered**
- **LPPM Referees currently undergoing a test of the full accreditation process - completion Dec 2019**
- **Introduction of sponge accreditation process Jan/Feb 2020**
- **Applicants will be restricted Refiners on the LPPM Good Delivery lists**



## **LPPM Platinum & Palladium Sponge Accreditation**

- **Accreditation application process will be very similar to the current Good Delivery application**
- **Proactive Monitoring process will be introduced – integrated with the current programme**
- **Additional tests for oxygen content and sponge homogeneity**
- **New sponge accredited refiner lists published by the LPPM**
- **Refiners LPPM Sponge Certificated in addition to Good Delivery**





## LPPM Platinum & Palladium Sponge Accreditation

### Challenges and Opportunities

- Full Good Delivery status unlikely to be given by clearing companies and vaults
- Ingots can be easily counted and audited
- Sponge's physical nature, packaging and seals makes this difficult
- Majority of consumers and physical traders will not need GD clearing
- Rhodium sponge next for an LPPM accreditation system



## **Interlaboratory Testing Collaboration Fine Grade Platinum <99.95%**

- **27 LPPM & IPMI laboratories taking part**
- **Samples produced and tested by Metalor**
- **Results collated and distributed on a no names basis by the IPMI**
- **This large participation should provide effective results**
- **Each laboratory can compare their performance with 26 others**
- **Useful for ISO 17025 accreditation**

## The First Platinum & Palladium Certified Reference Materials



- **Manufactured By Tanaka KK**
- **Extensive Analysis for homogeneity and contained elements by:**
  - Johnson Matthey; Metalor Technologies; PAMP; Tanaka K.K.; Valcambi.**
  - Anglo Platinum; BASF; Cend्रे et Metaux; Heraeus; Umicore**
- **Results coordinated and statistically analysed by Dr Mike Hinds – Royal Canadian Mint**