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LBMA Announces Proactive Monitoring and the Appointment of new Good Delivery Referees

The London Bullion Market Association announces the introduction of a scheme for the proactive monitoring of refiners on its Good Delivery List, which will commence on 26 January. The List, which is widely recognized as representing the de facto standard for gold and silver bullion bars, includes the names and locations of refiners that have met the LBMA's stringent technical and financial criteria for listing. Under the new arrangements, Good Delivery refiners will generally have their technical ability assessed once every three years. The main method of testing will involve companies providing a dip sample from normal production (this to be witnessed by one of the LBMA's approved supervising companies) for testing by one of the LBMA's approved Good Delivery referees. Details of the way in which the scheme will operate have been sent to all refiners on the List.

An integral part of the new arrangement has been the expansion of the LBMA's panel of referees. The LBMA is pleased to announce that the following companies have been appointed as Approved Good Delivery Referees:

Japan:	Tanaka Kikinzoku Kogyo K.K.
South Africa:	Rand Refinery Limited.
Switzerland:	Argor-Heraeus SA. Metalor Technologies SA. Pamp SA.

These companies will be responsible for the testing of dip samples, the provision of reference samples and other functions in support of the Good Delivery system.

The appointment of these referees follows a two-year process of accreditation in which the applicants for referee status were required to demonstrate extremely high levels of precision and accuracy in assaying and to manufacture sets of gold and silver reference samples which also had to be assayed and then cross-checked (on a double-blind basis by other referees) to the highest standards of accuracy.

The LBMA also announced that the companies who will be approved for the witnessing of the dip sampling operation would be the three internationally recognized supervising companies within the LBMA membership:

Alex Stewart (Assayers) Ltd
Alfred H Knight International Ltd
BSI Inspectorate Ltd

Commenting on this initiative by the LBMA, its chief executive, Stewart Murray, stressed, "that it reflected the LBMA's commitment to maintaining quality in the bullion market. An enormous amount of work has been performed by the applicant referees over the past two years and, in the process, much has been learned about what is practically achievable in relation to the preparation of reference samples and assaying accuracy. This has been possible thanks to the willingness of all those involved not only to do the work required but to share their knowledge and experience with each other. Looking forward, we will now ensure that this knowledge is disseminated throughout the refining industry, in part by organising a technical seminar focusing on assaying issues in the fourth quarter of 2004."

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