



**LEI**

GLOBAL  
LEGAL  
ENTITY  
IDENTIFIER  
FOUNDATION

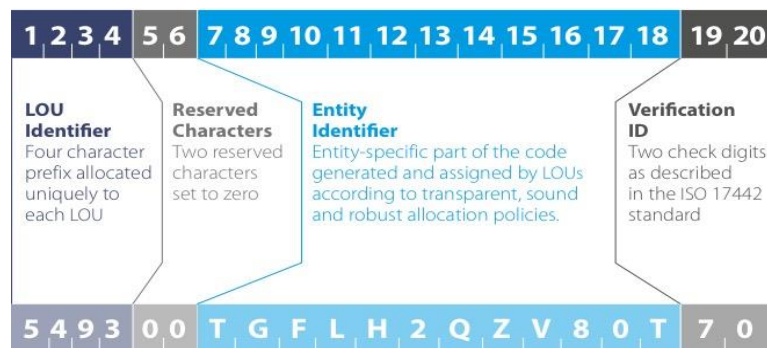
# Linking the LEI- and BR-world

**Ricco Dun, GLEIF**

**ECRF annual conference  
Vilnius, 16 June 2017**

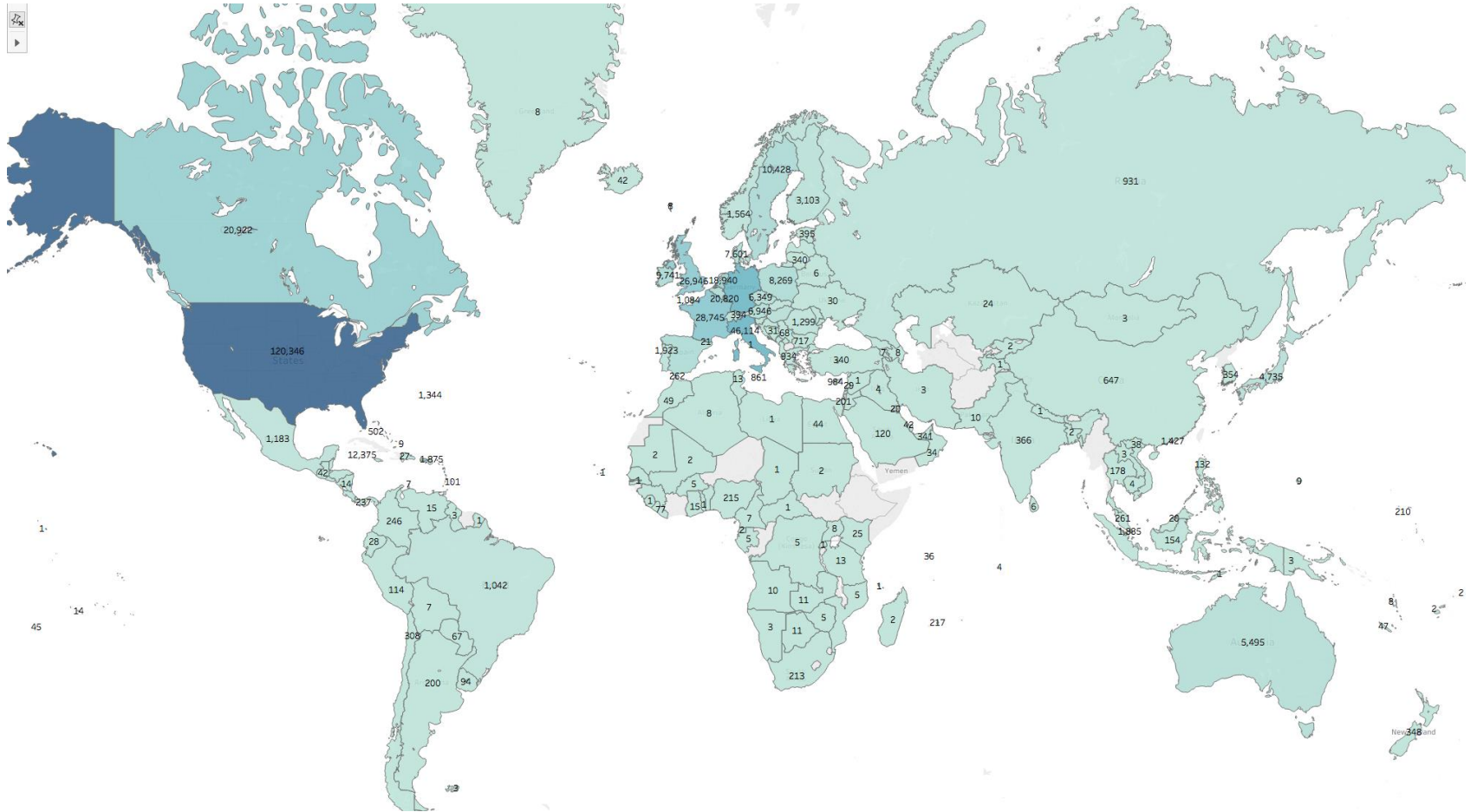
## What is the LEI?

- ISO 17442 standard: unique 20 digit alphanumeric code assigned to legal entities
- A high-quality identifier that is accessible free of charge as a broad public good for the benefit of the users of the public and private sector
- The Financial Stability Board (FSB) created the LEI in a form of a reference code to uniquely identify legal entities that engage in financial transactions
- FSB policy: “Unique identification of parties to financial transactions underpins multiple financial stability objectives.”
  - Improved risk management in firms
  - Better assessment of micro and macro prudential risks



**Example:** ABB Sécheron S.A., Switzerland

# 515,000 LEI's worldwide



# Common Data File Format of the LEI Record

LEI Data Record			[1..*]
<b>LEI</b>	LEI		[0,1]
<b>Entity</b>	Entity		[1]
<b>LegalName</b>	Name		[1]
<b>OtherEntityNames</b>	OtherEntityName		[0..n]
<b>LegalAddress</b>	Address		[1]
<b>HeadquartersAddress</b>	Address		[1]
<b>OtherAddresses</b>	OtherAddress		[0..n]
<b>BusinessRegisterEntityID</b>	BusinessRegisterEntityID		[0,1]
<b>LegalJurisdiction</b>	JurisdictionCode		[0,1]
<b>LegalForm</b>	Name		[0,1]
<b>AssociatedEntity</b>	Associated		[*]
<b>EntityStatus</b>	EntityStatusEnum		[1]
<b>EntityExpirationDate</b>	DateTime		[0,1]
<b>EntityExpirationReason</b>	EntityExpirationReasonEnum		[0,1]
<b>SuccessorEntity</b>	Successor		[0,1]
<b>Registration</b>	Registration		[1]
<b>InitialRegistrationDate</b>	DateTime		[1]
<b>LastUpdateDate</b>	DateTime		[1]
<b>RegistrationStatus</b>	RegistrationStatusEnum		[1]
<b>NextRenewalDate</b>	DateTime		[1]
<b>ManagingLOU</b>	LEI		[1]
<b>ValidationSources</b>	ValidationSourcesEnum		[0,1]
<b>Extension</b>	Extension		[0,1]



Many data already in BR

## Business model

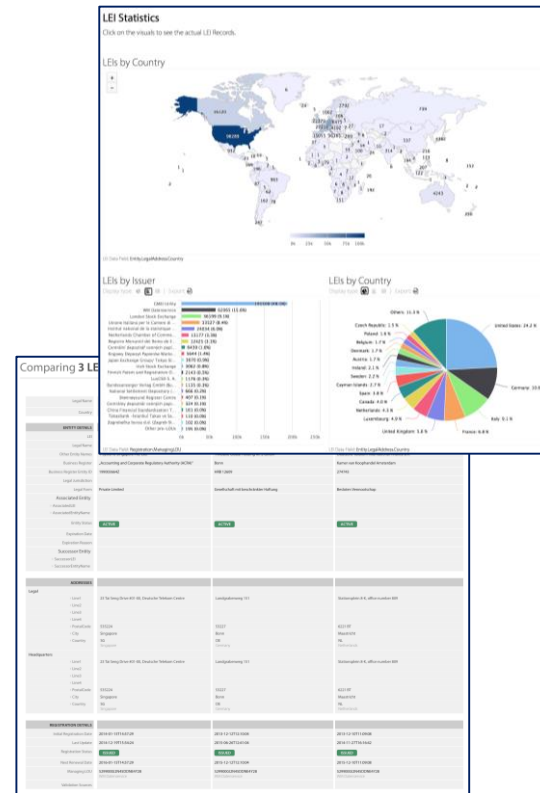
- GLEIS managed by GLEIF (Swiss not for profit foundation)
- Regulatory Oversight Committee (ROC) with 75 regulators
  
- Local Operating Units (LOU's) issue LEI's
- Relationship with LOU's through Master Agreement and Accreditation
- 28 pre-LOU's; in total 39 in accreditation process
  
- Legal Entities pay annually for LEI
- All LEI-information is available for the public for free
- LOU's pay amount per LEI to GLEIF

## Benefits of LEI adoption for public and private users

- Public sector
  - Mainly mandatory use
  - Reporting to regulators (derivatives, securities, insurance, pension funds, central banks)
  - Reporting to regulators on AML (anti money laundering), CFT (combating the financing of terrorism) and sanction regimes
  - Other needs of the public sector (e.g. public procurement, international tax programs, provision of statistical research)
  
- Private sector
  - Correspondent Banking
  - Trade finance
  - Asset management for (pension) funds
  - E-invoicing schemes
  - Data management
  - Credit rating

# LEI Search live on GLEIF.ORG

- **Daily update complete LEI file**
- **Search facility**
- **LEI Overview page with statistics**
  - Number of LEIs per Country, Issuer, Registration Status, Entity Status
  - Drill down function: Visuals can be clicked, which leads to the detailed LEI data
- **Export in several formats**
  - The complete content of the GLEIF File can be exported
- **All data available for free**



	A	B	S	T	W
1	LEI	Entity LegalName	EntityLegalAddressLine1	EntityLegalAddressLine2	EntityLegalAddressCity
2	X8345TPCZT2WXMET37	Microsoft Asia Island Limited	Clarendon House	2 Church Street	Hamilton
3	S49300RTWPGUJZ7V79	Microsoft Corporation Savings Plus 401(k) Plan	C/O Microsoft Corporation	PTSGE Corp	Seattle
4	S49300C8WVZ381QHFD97	Microsoft Mobile Global Finance B.V.	Evert van de Beekstraat 354	Schiphol	Amsterdam
5	GGCNDCCD8HJHHAJ529	Microsoft Round Island One	70 Sir John Rogerson's Quay	Dublin 2	Dublin
6	INRZELERANOW32P974	Microsoft Corporation	C/O Corporation Service Company	300 Deschutes Way South West	Tumwater
7	MMNZE1H8Z2630ED3198	Microsoft Global Finance	70 Sir John Rogerson's Quay	Dublin 2	Dublin
8	S49300LQ2WYD39D969	Microsoft Mobile Oy	Kallaranta 7		Espoo

## Local Operating Units and Business Registers

- LOU's need BR information for mapping and validation
  - Registration Authorities List available
  
- Currently 4 Business Register-LOUs
  - Finland: Patent and Registration Office
  - Italy: Infocamere
  - Netherlands: Chamber of Commerce
  - Spain: Colegio de Registradores
  
- More BRs becoming LOU
  - Portugal: IRN endorsed, not active yet
  - Slovenia: AJPES in accreditation process



## Business Register as Local Operating Unit

- All relevant data on organizations in that jurisdiction are already in the register
- Checking and mapping data is very easy in real time (automatic updates)
- BR's are used to collecting data and managing them in high quality
  
- Easy process of obtaining an LEI for local companies
- Beneficial for companies to obtain LEI in own country
- Valuable, customer-friendly addition to BR-services for local companies
- Natural extension of the work and experience of a BR with identifiers, data quality and entity data management
  
- Mandatory use of LEI to uniquely identify counterparties is growing globally; logical step for BR to be involved in this process because the core business of BR's is already the unique identification (on a national scale)
  
- For many BR's it also means an entry into a (for them) new world of the financial regulators, which gives them opportunities there as well

# Registration Authorities List

- GLEIF published the "GLEIF Registration Authorities List" on the website. This standardizes the cross reference provided by a legal entity to its local authoritative source.
- It contains 650+ business registers and other relevant registration authority sources and assigns a unique code to each.

LEI Focus
LEI System
LEI Data
Newsroom & Media
Events
Contact

Introducing the Legal Entity Identifier (LEI)

Regulatory Use of the LEI

GLEIF Statement on ECON Report on New EU Prospectus Rules

About the LEI

ISO 17442: The LEI Code Structure

Common Data File Format

GLEIF Registration Authorities List

How to Get an LEI: Find LEI Issuing Organizations

## GLEIF Registration Authorities List

Registration Authority Code	Country	Country Code	Jurisdiction (country or region)	International name of Register	Local name of Register	International name of organisation responsible for the Register	Local name of organisation responsible for the Register	Websites	Micro disclaimer included <a href="http://www.lei.org/publications/gla/flow_2013111.pdf">http://www.lei.org/publications/gla/flow_2013111.pdf</a>	Comments
RA000001	Afghanistan	AF	Afghanistan	Afghanistan Central Business Registry (Ministry of Commerce and Industries)		Afghanistan Central Business Registry (Ministry of Commerce and Industries)		<a href="http://www.acbr.gov.af/">http://www.acbr.gov.af/</a>		
RA000002	Albania	AL	Albania			National Registration Center	Gendra Kombetare e Regjistrimit	<a href="http://www.dkr.gov.al/nrc/def/aut1.aspx">http://www.dkr.gov.al/nrc/def/aut1.aspx</a>		
RA000003	Algeria	DZ	Algeria	Trade Register	Registre du Commerce	National Center of the Trade Register	Centre National du Registre du Commerce (CNRC)	<a href="https://sids.com.cnrc.dz/web/ctrl/accueil">https://sids.com.cnrc.dz/web/ctrl/accueil</a>		
RA000004	Andorra	AD	Andorra	Register of Commerce	Registre de Societats Mercantils			<a href="http://www.comerc.ad/registat-comerc">http://www.comerc.ad/registat-comerc</a>		
RA000005	Angola	AO	Angola	Central Registry of Business Names	Ficheiro Central de Denominações Sociais					
RA000006	Anguilla	AI	Anguilla	Commercial Registry	Commercial Registry	Anguilla Commercial Registry	Anguilla Commercial Registry	<a href="http://www.commercialregistry.ai/acorn-welcome.html">http://www.commercialregistry.ai/acorn-welcome.html</a>		
RA000007	Antigua and Barbuda	AG	Antigua and Barbuda			Intellectual Property and Commerce Office	Intellectual Property and Commerce Office	<a href="http://www.ipc.gov.bb/portal_page.php?page=comis_g_soon.php">http://www.ipc.gov.bb/portal_page.php?page=comis_g_soon.php</a>		
RA000008	Antigua and Barbuda	AG	Antigua and Barbuda			Financial Services Regulatory Commission	Financial Services Regulatory Commission	<a href="http://www.fsrc.gov.ag/">http://www.fsrc.gov.ag/</a>		
RA000009	Argentina	AR	Argentina			Federal Administration of Public Revenues (AFIP)	Administración Federal de Ingresos Públicos (AFIP)	<a href="http://www.afip.gov.ar/home/index.html">http://www.afip.gov.ar/home/index.html</a>		December 11, 2013
RA000010	Argentina	AR	Argentina		Registro Nacional de Sociedades		Ministerio de Justicia y Derechos Humanos (Dirección del Registro Nacional de Sociedades)	<a href="http://www.jus.gov.ar/gg/com-gerencias-de-rg/sociedades-comerciales.aspx">http://www.jus.gov.ar/gg/com-gerencias-de-rg/sociedades-comerciales.aspx</a>		
RA000011	Armenia	AM	Armenia	State Register of Legal Entities	Հայաստանի Հանրապետության արդյունաբերության նախարարության իրավաբանական անձանց պետական ռեգիստր	Ministry of Justice of the Republic of Armenia		<a href="https://www.e-register.am/">https://www.e-register.am/</a>		

# ISO 20275 – Entity Legal Form



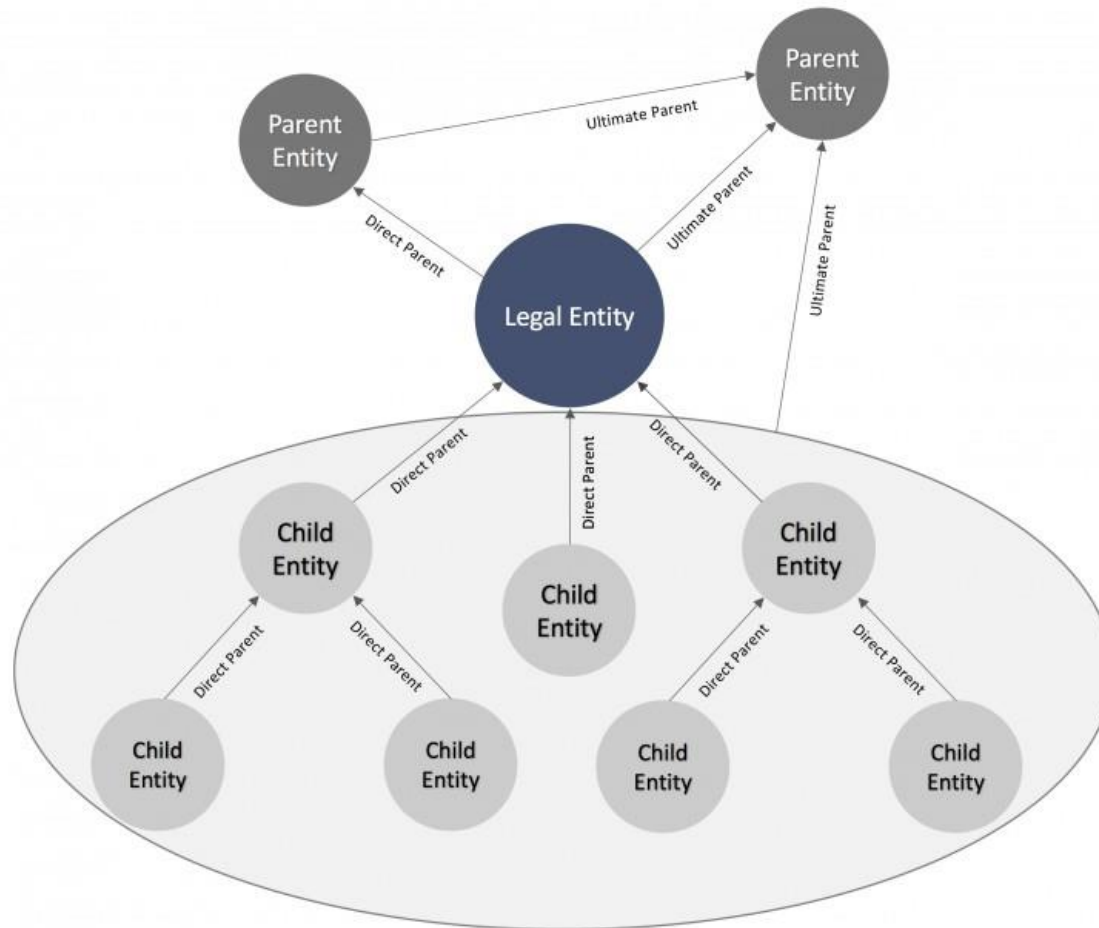
- This ISO standard is intended to identify the distinct entity legal forms in a jurisdiction
  
- Why:
  - Standardization of the legal or organisational construct will aid flexibility and provide greater understanding of exposure to risk and access to capital;
  - Regulators and market participants have recognized the need to identify entity legal forms, both nationally and consistently across the global markets and have asked for a standard to be developed to meet this need
  
- GLEIF will take on the maintenance agency role for this standard. This includes providing the initial content and maintaining the list going forward
  
- Bottom line: a list of all legal forms in all countries
  
- I will need your help!

# ELF Content

- ELF Code
- Entity Legal Form name (Local Name)
- Language
- Language Code (ISO 639-1)
- Entity Legal Form name (Transliterated name (per ISO 01.140.10))
- Abbreviations
- Abbreviations (Transliterated)
- Country of formation
- Country Code (ISO 3166-1)
- Jurisdiction of formation
- Country sub-division code (ISO 3166-2)
- Date created (YYYY-MM-DD (ISO 8601))
- ELF Status (ACTV/INAC)

<b>LEI Data Record</b>		[0,*]
LEI	LEI	[1,1]
<b>Entity</b>		[1,1]
LegalName	NameType	[1,1]
OtherEntityNames	OtherEntityNamesType	[0,1]
LegalAddress	Address	[1,1]
HeadquartersAddress	Address	[1,1]
OtherAddresses	OtherAddressesType	[0,1]
BusinessRegisterEntityID	BusinessRegisterEntityID	[0,1]
LegalJurisdiction	JurisdictionCode	[0,1]
LegalForm	Name	[0,1]
AssociatedEntity	AssociatedEntityType	[0,1]
Entitystatus	EntityStatusEnum	[1,1]
EntityExpirationDate	xs:dateTime	[0,1]
EntityExpirationReason	EntityExpirationReasonEnum	[0,1]
SuccessorEntity	SuccessorEntityType	[0,1]

# Who Owns Whom



# Data on Who Owns Whom: The LEI ROC Policy



## Entities that have or acquire an LEI will report

- Their 'ultimate accounting consolidating parent': Defined as the highest level legal entity preparing consolidated financial statements
- Their 'direct accounting consolidating parent': Defined as the lowest level legal entity that prepares consolidated financial statements that consolidate the entity

In both cases, identification of the parent would be based on the accounting definition of consolidation applying to this parent

- IFRS (International Financial Reporting Standards) and US GAAP (United States Generally Accepted Accounting Principles)

## Accounting definitions were chosen as a starting point

- Applicable to both financial and non-financial companies
- Their international comparability has increased
- Widely used, publicly available and their implementation is periodically reviewed by external auditors

## Data on Who Owns Whom: operations



- Information on parents will be part of the information that must be provided in order for an LEI to be issued or renewed
- Entities will report relationship information to the LEI issuing organizations (LOU's)
  - Child entities will be obliged to provide the LEI code of its direct and ultimate parent to the LOU
- LOU will verify the relationship information based on public documents or other sources
  
- The information collected will be published on the GLEIF website and therefore freely available
  
- Start: 1 May 2017

**Thank you for your attention!**

For more information, visit the GLEIF Website at [www.gleif.org](http://www.gleif.org)

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