

Global Initiative on Unique Identifiers for Businesses - Strategic Roadmap -

UNSD, Statistics Netherlands, GLEIF
and UNCITRAL

7th Meeting of the UN Committee of Experts on Business and Trade Statistics
24-26 September 2024

Brief Recap: Global Initiative on Unique Identifiers for Businesses

Initiative aims to

- Strengthen the transparency on businesses in countries by improving their registration
 - Improve the availability of unique business identifiers in administrative data sources in countries
 - Promote access to and sharing of administrative data for statistical business registers
 - Demonstrate the importance and benefit of linking national identifiers with global identifiers, such as the LEI
-
- Intended to bring together interested countries and international/regional organizations to support countries seeking to improve their statistical business registers and business registration systems
 - Outcome of a consultation process that started in 2020 between UNSD, UN Committee of Experts on Business and Trade Statistics (UNCEBTS) and the Global Legal Entity Identifier Foundation (GLEIF)

UN Statistical Commission 54th session in March 2023

“endorsed the global initiative on unique identifiers for businesses, supported its main elements as described in the background document, and encouraged countries and relevant organizations to coordinate their activities in this area in an effort to provide solid infrastructure for statistical business registers”

Webinar Series (Oct. 2023 - Jan. 2024)

- Create awareness
- Identify possible pilot projects
- Elaborate a work plan
- <https://unstats.un.org/unsd/business-stat/Webinar-Unique-BusinessID.cshtml>

UN Statistical Commission 55th session in March 2024

“the next focus be the exploration of concrete ways to strengthen the legal registration of businesses and the management of unique identifiers for the improvement of the statistical business register; the development of a strategy to further guide this initiative; ...”

Strategic Roadmap for the Global Initiative on Unique Identifiers for Business

Objectives of the Strategic Roadmap:

- Provide a comprehensive guide for countries and international stakeholders for the Initiative and in adopting and implementing unique business identifiers

Goals of the Strategic Roadmap:

- Foster global cooperation and consistency in the application and use of unique business identifiers, which involves
 - Establishment of unique business identifiers at the national level
 - Aligning national systems with international standards, such as the Global Legal Entity Identifier (LEI) System, with the aspiration that businesses can be uniquely identified on an international scale
- Improve access to administrative data, facilitating better linkages between business registers and other critical data sources through standardized and universally recognized identifiers
- Enhance transparency, reduce duplication of efforts, and support global efforts to understand and monitor business activities, particularly in globalization and cross-border trade

Objectives of the Initiative

Improve the availability and use of unique business identifiers

- Countries can facilitate the accurate tracking and analysis of business activities, thereby enhancing the quality and reliability of data used for policymaking, regulation, and economic planning

Facilitate access to and sharing of administrative data for SBRs

- Countries can enhance the comprehensiveness and accuracy of business statistics, which contributes to formulating policies that promote economic growth and development

Create and maintain SBRs

- Countries can ensure that data on all registered businesses, including small and medium-sized enterprises, large corporations, and multinational companies, is up-to-date, exhaustive, and linked across different administrative sources

Objectives of the Initiative (continued)

Strengthen transparency in business registration

- Countries can create a more predictable and secure business environment

Encourage mapping to global unique identifiers

- Countries can create a more interconnected and interoperable global business environment, which can support the development of global registers that accurately reflect the ownership and legal structures of multinational enterprises
- See also the white paper ‘The Identity Revolution: How Digital IDs Are Reshaping Modern Registries’ (<https://www.fostermooore.com/white-papers/how-digital-ids-are-revolutionizing-online-interactions-white-paper>)

Use Cases and Practical Applications

Cross-Border Trade

- Identifying businesses uniquely across jurisdictions, in complex supply chains and international transactions; streamlining customs procedures, reducing delays, and minimizing risks
- Eurostat has the EuroGroups Register, and OECD and UNSD have the Multinational Enterprise Information Platform, which enables them to grasp the structure and activities of multinational enterprises using unique identification of businesses

Domestic Trade and Digitalization

- Governments can leverage unique identifiers in the various administrative records to improve delivery of public services, such as tax collection and business registration, fostering a more efficient and inclusive digital economy

Regulatory Compliance

- Use of the LEI system allows regulators to trace the ownership structures and financial transactions of MNEs, reducing risk of regulatory breaches and enhancing overall integrity of financial system

Risks and Challenges

Technical and Operational Challenges

- Need to harmonize disparate systems that may use different formats, standards, and technologies for business registration and identification
- Provide technical support and capacity-building initiatives for countries that require assistance in modernizing their systems
- Test the integration of unique identifiers in controlled environments in the pilot programs

Political and Legislative Barriers

- Work closely with policymakers, business leaders, and other influential groups to build a consensus around the benefits of (national and global) unique business identifiers
- Provide technical assistance and share best practices from countries that have successfully implemented similar reforms

Strategic Phases:

1. Assessment & Outreach

- Carry out a survey to grasp the current system in countries
- Reach out to stakeholders and build partnerships

2. Technical Cooperation & Capacity Building

- Provide legislative and policy support to strengthen the legal frameworks
- Deliver targeted training to build capacity

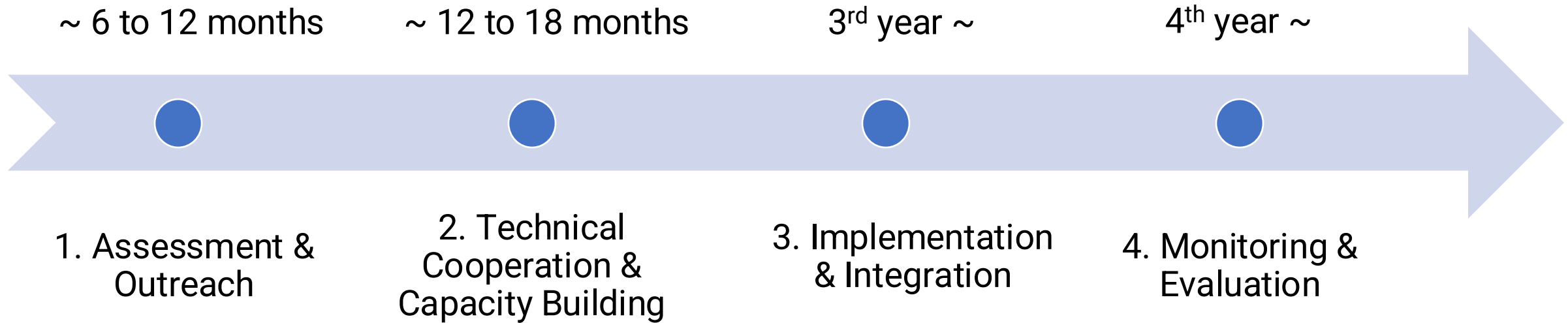
3. Implementation & Integration

- Launch pilot programs, focus on establishing the unique identifiers at the national level
- Explore the global mapping and integration of national unique identifiers with the LEI system

4. Monitoring & Evaluation

- Continuously monitor implementation in participating countries
- Evaluation and feedback cycle

- **Timeline**



Governance

- Current core group members:
 - UNSD
 - Statistics Netherlands
 - Global Legal Entity Identifier Foundation (GLEIF)
 - UNCITRAL
 - Seeking for one or two active partners
- Recommend the establishment of an Advisory Group to inform and support the initiatives by a wide range of perspectives and expertise
- UNCEBTS – reports the initiative to UN Statistical Commission

Next Steps

- Global assessment survey regarding the current implementation and use of unique identifiers in administrative and statistical business registers is planned for Q4 2024
- Outreach, engaging with international and regional organizations, and establishing partnerships to build a broad coalition of stakeholders. Establishment progressive an advisory group to guide and support the initiative
- Pending on resources, conduct webinars and capacity development workshops, in collaboration with other relevant groups, to disseminate best practice and hands-on experience in the implementation and management of unique identifiers
- Concrete practical application of unique identifiers through pilot programmes. Seeking for pilot opportunities.



Thank you!

Contact: business_stat@un.org

ricco.dun@gleif.org