Recent Developments in Global Identifiers

UNCEBTs 6th meeting, Merida
19 September 2023
Ricco Dun, Business Operations GLEIF
Agenda

1. The LEI and GLEIF

2. Recent developments; endorsements of the LEI

3. The Global Initiative on Unique Identifiers for Businesses and the LEI
In 2011, the G-20 leaders supported "the creation of a global legal entity identifier (LEI) which uniquely identifies parties to financial transactions."

GLEIF is the not-for-profit foundation which manages the LEI. It was founded by the Financial Stability Board (FSB).

GLEIF is overseen by the Regulatory Oversight Committee (ROC) with:
- 71 regulators and
- 19 observers
- from 50 countries.

GLEIF Board has 18 independent directors.

37 accredited Partners for LEI issuing.
What is the Legal Entity Identifier (LEI)?

- A machine-readable 20-character alpha-numeric code.
- An open global ISO standard (17442).
- A life-long identifier owned by the respective legal entity.
- It points to the associated reference data, which answers ‘who is who’ and ‘who owns who’ on a global basis.
- A public good with comparable governance framework.
- There are more than 2.400.000 LEIs issued globally.
Global Regulatory Framework for the LEI – over 80 Regulations in the EU

European Union
- EMIR, MiFID II, MMF Regulation, Solvency II, AIFMD, Market Abuse Regulation, CSD Regulation, Prospectus Regulation, Securitization Regulation, SFTR
- EBA Recommendation, Credit Rating Agencies Regulation

Canada
- Equity and debt securities reporting

United States
- Home Mortgage Disclosure reporting
- Repo Market participants
- Swap data reporting
- Funds and investment firms reporting

Mexico
- OTC Derivatives and repo market participants

Singapore, Hong Kong
- OTC Derivatives market participants

China
- China Customs requires LEI for imports from 29 countries
- Roadmap for LEI adoption published by PBOC

India
- OTC Derivatives market participants, corporate borrowers, non-derivative market and large-value payments participants

Australia
- OTC Derivatives market

India
- OT CARLS market
- Swap data reporting
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Australia
- OTC Derivatives market

Ways to access and use the LEI reference data

- LEI Search: [https://search.gleif.org/#/search/simpleSearch=](https://search.gleif.org/#/search/simpleSearch=)

**LEI Search 2.0**


The GLEIF API gives developers access to the full LEI Data search engine functionality, including filters, full-text and single-field searches of legal entity and ownership data, and “fuzzy” matching of relevant data fields such as names and addresses.
### LEI and its reference data - 1

<table>
<thead>
<tr>
<th>(Primary) Legal Name</th>
<th>Nestlé S.A.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transliterated Names</td>
<td>Nestle S.A.</td>
</tr>
</tbody>
</table>
| Registered At        | Commercial Register (Ministry of Justice)  
                        Handelsregister (Eidg. Amt für das Handelsregister; Bundesamt für Justiz)  
                        Switzerland  
                        RA0005649 |
| Registered As        | CHE-105.909.036 |
| Jurisdiction Of Formation | CH |
| General Category     | GENERAL |
| Entity Legal Form    | Company limited by shares (en)  
                        Société anonyme (fr)  
                        Aktiengesellschaft (de)  
                        Società anonima (it)  
                        MVII |
| Entity Status        | ACTIVE |
| BIC Code             | NIESNCH12200X |
| ISIN Code            | CH1TPA35S108  
                        CH1TPA35S124  
                        FR0000861643 |
### LEI and its reference data - 2

<table>
<thead>
<tr>
<th>Addresses 1</th>
<th>Hide map</th>
<th>Headquarters</th>
<th>Hide map</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal</td>
<td>Avenue Nestlé 55</td>
<td>Avenue Nestlé 55</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1800</td>
<td>1800</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vevey</td>
<td>Vevey</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CH-VD</td>
<td>CH-VD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CH</td>
<td>Switzerland</td>
<td>Switzerland</td>
</tr>
</tbody>
</table>

![Map of Avenue Nestlé 55, Vevey, CH-VD, and CH | Switzerland](image-url)
## Registration details

<table>
<thead>
<tr>
<th>Item</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Registration Date</strong></td>
<td>2012-06-06 17:52:00+02:00</td>
</tr>
<tr>
<td><strong>Last Update</strong></td>
<td>2022-03-22 22:32:00+01:00</td>
</tr>
<tr>
<td><strong>Status</strong></td>
<td>ISSUED</td>
</tr>
<tr>
<td><strong>Next Renewal</strong></td>
<td>2023-02-17 14:57:00+01:00</td>
</tr>
<tr>
<td><strong>LEI Issuer</strong></td>
<td>Business Entity Data B.V. (GMEI Utility a service of BED B.V.) EVK0SK7XY1DEI13R011</td>
</tr>
<tr>
<td><strong>Corroboration Level</strong></td>
<td>FULLY_CORROBORATED</td>
</tr>
<tr>
<td><strong>Data Validated At</strong></td>
<td>Commercial Register (Ministry of Justice) Handelsregister (Eidg. Amt für das Handelsregister; Bundesamt für Justiz) Switzerland RA000549</td>
</tr>
<tr>
<td><strong>Data Validated As</strong></td>
<td>CHE-105.909.036</td>
</tr>
</tbody>
</table>
### LEI and its reference data - 4

<table>
<thead>
<tr>
<th>Direct children (64)</th>
<th>Ultimate children (106)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nestlé S.A.</strong></td>
<td></td>
</tr>
<tr>
<td>Wyeth Philippines Inc.</td>
<td>(Direct)</td>
</tr>
<tr>
<td>SMA NUTRITION INDIA PRIVATE LIMITED</td>
<td>(Direct)</td>
</tr>
<tr>
<td>NESTLE R&amp;D CENTRE INDIA PRIVATE LIMITED</td>
<td>(Direct)</td>
</tr>
<tr>
<td>PT NESTLE INDONESIA</td>
<td>(Direct)</td>
</tr>
<tr>
<td>Nestle Australia Ltd</td>
<td>(Direct)</td>
</tr>
<tr>
<td>Nestle Philippines, Inc.</td>
<td>(Direct)</td>
</tr>
<tr>
<td>Maggi-Unternehmungen AG</td>
<td>(Direct)</td>
</tr>
</tbody>
</table>

| NIFS SA | (Ultimate) |
| Wyeth Philippines Inc. | (Ultimate) |
| Nestle Hong Kong Limited | (Ultimate) |
| NESTLE R&D CENTER (PTE) LTD | (Ultimate) |
| NESTLE SINGAPORE (PTE) LTD | (Ultimate) |
| WYETH NUTRITIONALS (SINGAPORE) PTE, LTD | (Ultimate) |
| NESTLE CAPITAL CANADA LIMITED | (Ultimate) |
| SMA NUTRITION INDIA PRIVATE LIMITED | (Ultimate) |
| NESTLE R&D CENTRE INDIA PRIVATE LIMITED | (Ultimate) |
GLEIF Code lists

- Registration Authorities list – RA list
  - Overview of 1,000+ business registers and other registration and validation authorities

- Entity Legal Form code list – ELF code list (ISO 20275)
  - List of all entity legal forms in all countries (soon 3,400+ in 195 jurisdictions)

- Official Organizational Roles code list – OOR code list (ISO 5009)
  - List of all official roles per legal form per country (1st edition 2,000+ in 89 jurisdictions)
International support for the use of the LEI

- **Payments area**

- **(Digital) Identity**
  - BIS: Corporate Digital Identity [https://www.bis.org/publ/bppdf/bispap126.pdf](https://www.bis.org/publ/bppdf/bispap126.pdf)
  - World Trade Organization & World Economic Forum: the promise of TradeTech: technologies to enhance trade digitalization [https://www.wto.org/english/res_e/publications_e/tradetechpolicyharrddigit0422_e.htm](https://www.wto.org/english/res_e/publications_e/tradetechpolicyharrddigit0422_e.htm)
European Systemic Risk Board’s (ESRB) Support for the LEI

- ESRB is the macro-prudential oversight body of the EU
- ESRB acknowledged that the adoption of the LEI by non-financial sector entities is limited.
- For preventing market fragmentation and maximizing the benefits arising from the use of the LEI, ESRB identifies the need for establishing a legal framework regulating the use of LEI in the EU.
- Recommendation A: Introduction of a Union framework on the use of the LEI – by June 2023
- Recommendation B - Use of the legal entity identifier until the possible introduction of Union legislation – by December 2021

Committee on Monetary, Financial and Balance of Payments Statistics (CMFB)
Support for the LEI

- Advisory committee for Eurostat and ECB
- May 2023 Opinion on the LEI
- Recommendations (‘Opinion’):
  - the CMFB encourages all initiatives which help broaden the coverage and use cases of the LEI, minimizing or even eliminating the cost of issuance and renewals for European companies;
  - the CMFB asks the Commission to take into account the statistical usefulness of a broader LEI coverage when reporting on whether or not to make the LEI mandatory for a wider range of legal entities across the EU;
  - the CMFB encourages a global use of LEI through various international fora, in the attempt to extend the benefits of the LEI implementation for statistical purposes beyond the EU boundaries.
Bank for International Settlements – Project Aurora
What are policy tools to advance the fight against financial crime?

Solutions
- FATF has identified that data-sharing, advanced analytics and data standardization are critical for effective AML and CFT efforts.
- Technology and collaboration could support financial institutions, central banks, supervisory and other public authorities to address AML challenges through collaborative analytics and learning.
- Data quality and standardization of data identifiers and fields are important factors.

Role of the LEI
- The LEI could help identify a greater range of money laundering activities involving legal entities.
- The LEI could connect a greater range of data sets and capture different relationships which could be useful in AML efforts.
- It could also address the challenges faced by monitoring systems from inconsistencies in how entities are identified.

Project Aurora – the power of data, technology and collaboration to combat money laundering across institutions and borders, June 2023

https://www.bis.org/about/bisih/topics/fmis/aurora.htm
Main objectives UNSD – GLEIF project proposal

- 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.
Initial focus UNSD – GLEIF project proposal

- Host series of webinars / sprints Oct-Dec 2023

- Outreach to relevant international/regional organizations;

- Coordination of technical cooperation activities aimed at strengthening the administrative registration of businesses in countries and the relevant legislation;

- Development of guidelines and case studies on the importance of a well-functioning registration system in countries for SBRs;

- Demonstrate the importance and benefit of linking national identifiers with a global identifier, the LEI;

- The LEI is available (for free) for any use case; bulk issuing of LEIs to all entities in a country is possible; first 2 pilots about to start.
Limitations

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