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# Global LEI System Business Report

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## Q3 2019

## Summary

### LEI issuance and LEI growth potential:

#### State of play

At the end of the third quarter of 2019, the total LEI population exceeded 1.44 million. Approximately 41,000 LEIs were issued in this period. This represents a quarterly growth rate of 2.9% in the third quarter.

China saw the highest LEI growth rate at a jurisdiction level (29.4%), followed by India (10.6%), Australia (7.7%), South Africa (7.6%) and Estonia (5.6%). Growth in China, India and Australia can primarily be attributed to regulatory initiatives mandating the use of the LEI.

#### Competition in the Global LEI System

The report identifies the least and most competitive markets of those with more than 1,000 LEIs, based on the number of LEI issuers providing services in the jurisdiction. In the third quarter of 2019, Italy, the Netherlands, Spain, Finland and the Czech Republic were the five least competitive markets in descending order. The five most competitive, also in descending order, were Romania, Lithuania, Portugal, Malta and Bulgaria.

#### LEI renewal rates

The annual renewal process ensures that the legal entity and the LEI issuing organization review and re-validate the legal entity reference data at least once per year. The Global LEI System is unique in providing absolute transparency on the timeframe when data has last been verified.

In the third quarter of 2019, the overall renewal rate<sup>1</sup> of 70% remained essentially unchanged compared to the previous quarter (70.3%). At the end of the third quarter, 72.1% of all LEIs were in good standing (last quarter: 73.1%).

The renewal rate in the EU remained stable at 71.2% (previous quarter 71.5%). In non-EU jurisdictions, it was stable at 59.8% (previous quarter: 60.3%). In the reporting period, the five jurisdictions which demonstrated the highest renewal rates were Finland (92.6%), Japan (92.1%), Liechtenstein (90.6%), India (88.3%), and Norway (84.2%). Brazil (56.1%), the United States (55%), the Russian Federation (48.2%), the United Kingdom (46.9%) and Canada (45.8%) had the highest non-renewal rates.

#### Level 1 reference data corroboration

The business card information available with the LEI reference data, e.g. the official name of a legal entity and its registered address, is referred to as 'Level 1' data. It defines 'who is who'. The Level 1 data is considered fully corroborated if, based on the validation procedures in use by the LEI issuer, there is sufficient information contained in authoritative public sources to corroborate the information that the legal entity has provided for the record. If this is not the case, the business card information available with an LEI record is classified as 'entity-supplied only'.

In the third quarter of 2019, the percentage of fully corroborated Level 1 reference data within the entire LEI population increased slightly to 80.1% from 79.6% in the previous quarter.

#### Statistics on the reporting of parent information by legal entities

In the third quarter of 2019, approximately 1.29 million LEI registrants representing 89% of the total LEI population had reported information on direct and ultimate parents.

99.9% of LEI registrants who obtained a newly issued LEI or renewed an existing LEI in this quarter reported parent information.

Since February 2019, GLEIF has worked closely with LEI issuing organizations to review the level 2 data, especially legal entities reporting that their parents do not have an LEI, to improve the data quality. At the end of the third quarter, over 21,000 legal entities had updated the information of their direct parents. 7,200 of these have provided the LEIs of their direct parents. Similarly, approximately 21,000 legal entities updated the information of their ultimate parents, and around 6,600 of these reported the LEIs of their ultimate parents. Such improvement will further increase the transparency in identifying the network of legal entities and enhance data quality.

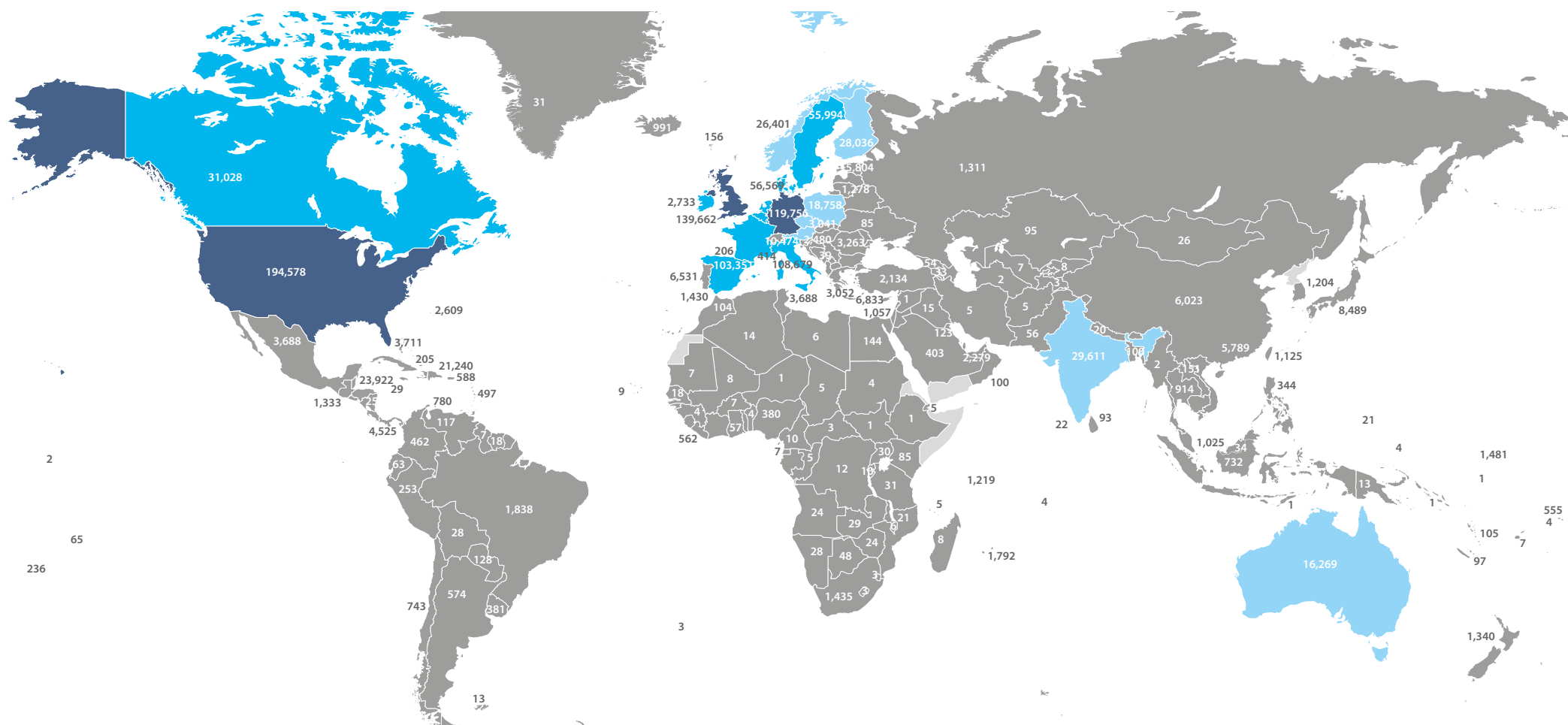
As a result of this data quality campaign, the share of legal entities reporting direct parents having an LEI increased from approximately 6% at the end of 2018 to approximately 7% at the end of the third quarter of 2019. The share of legal entities reporting direct parents who do not have an LEI dropped from approximately 7% at the end of 2018 to less than 5% at the end of the third quarter of 2019.

At the same time, the share of legal entities reporting ultimate parents having an LEI increased from approximately 6% at the end of 2018 to approximately 8% at the end of the third quarter of 2019. The share of legal entities reporting direct parents who do not have an LEI dropped from approximately 6% at the end of 2018 to approximately 4% at the end of the third quarter of 2019.

<sup>1</sup> This includes jurisdictions with at least 1,000 LEIs in total at the previous quarter-end date.

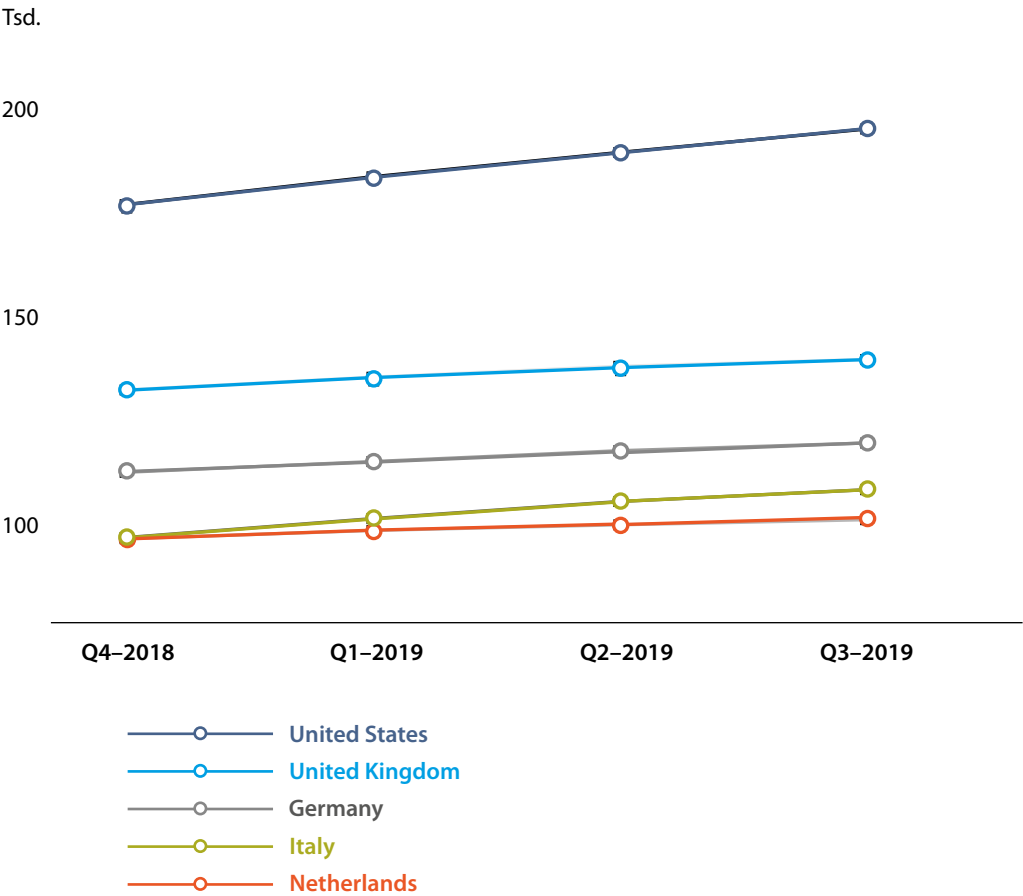
## Q3 2019

Total Number of Active LEIs by Jurisdictions | Fig.-1

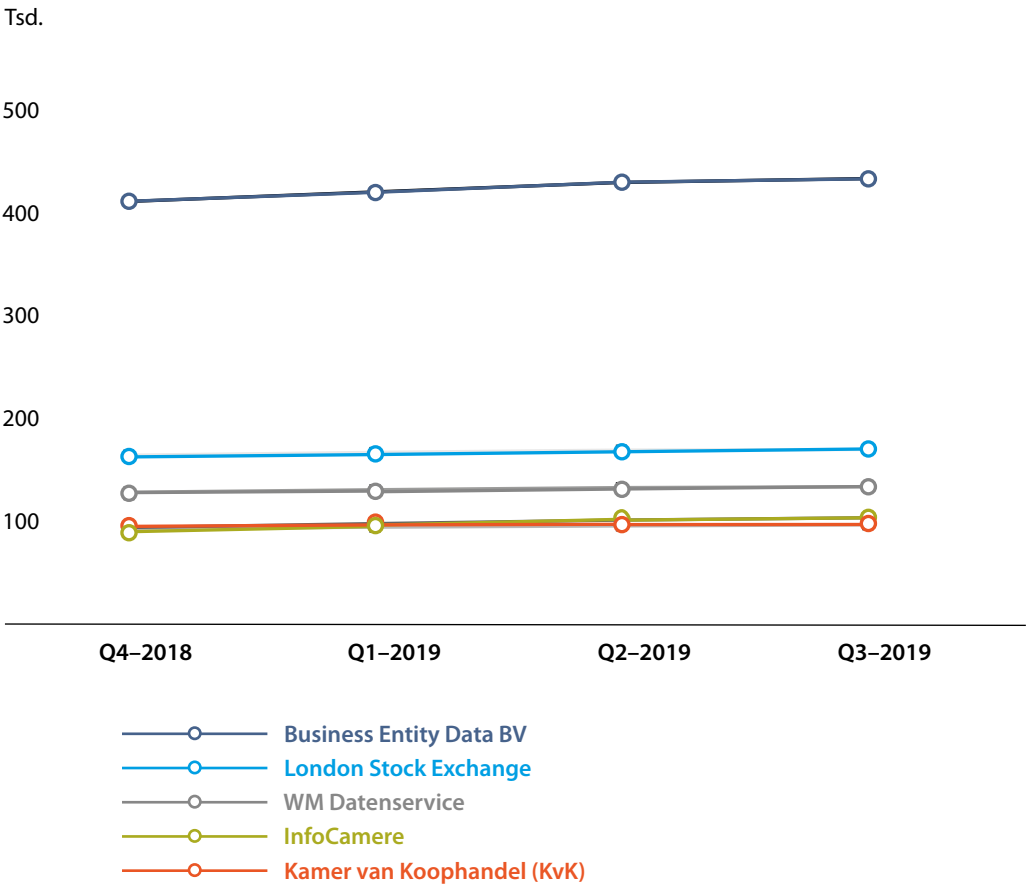


Active LEIs

Total LEI Trend-Top 5 Jurisdictions | Fig.-2

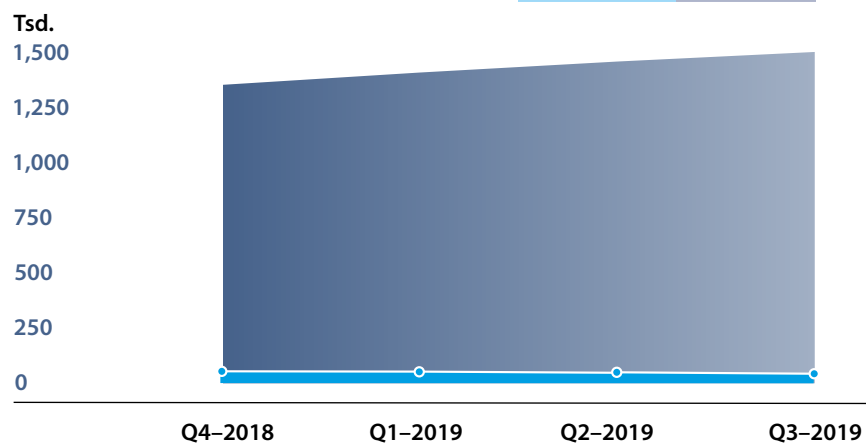


Total LEI Trend-Top 5 LEI Issuers | Fig.-3

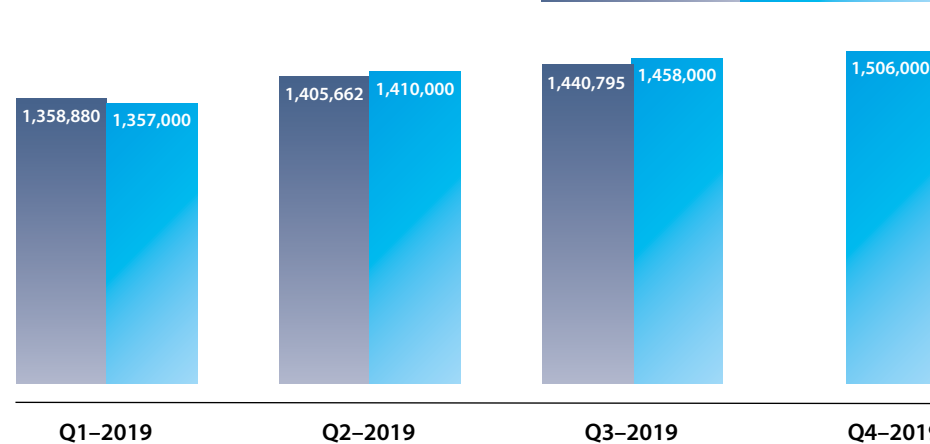


## Growth in Total Number of Active LEIs

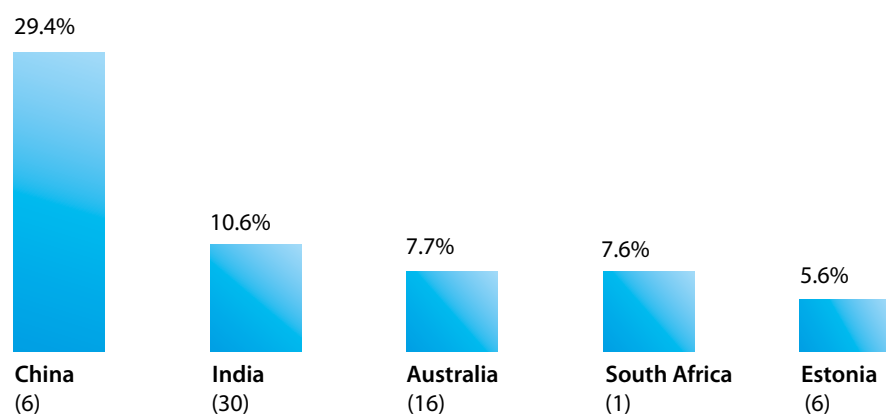
New LEI Issuance | Fig.-4



LEI Forecast | Fig.-5



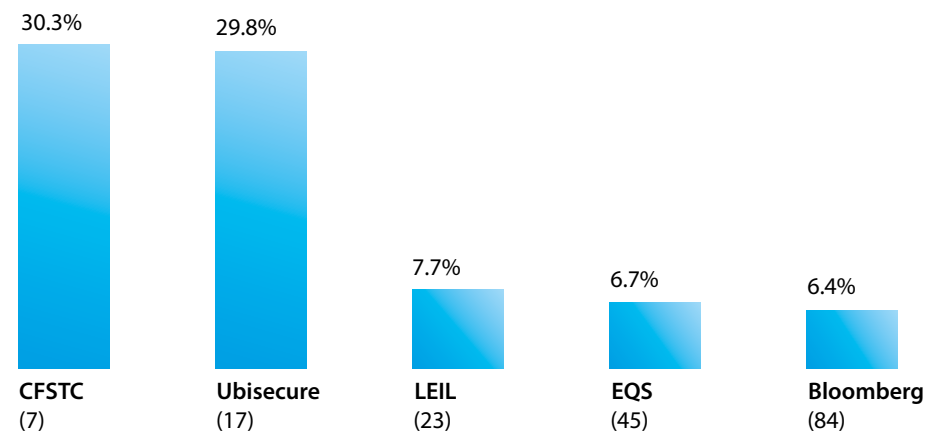
Quarterly LEI Growth – Top 5 Jurisdictions | Fig.-6<sup>1</sup>



Total issuance in thousands at most recent quarter-end date in parenthesis

1. Analysis includes only those jurisdictions with at least 1,000 LEIs in total at the previous quarter-end date.

Quarterly LEI Growth – Top 5 LEI Issuers | Fig.-7



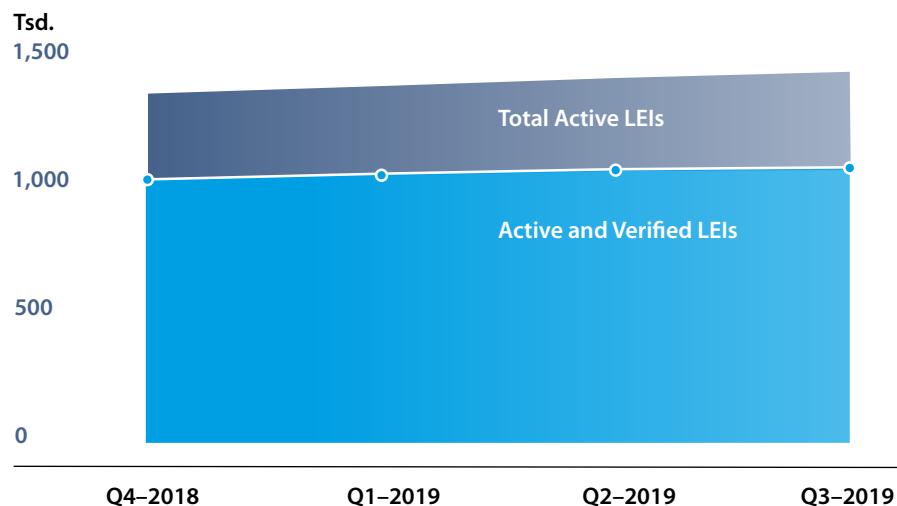
Growth rate of LEI issuers

Total issuance in thousands at most recent quarter-end date in parenthesis.

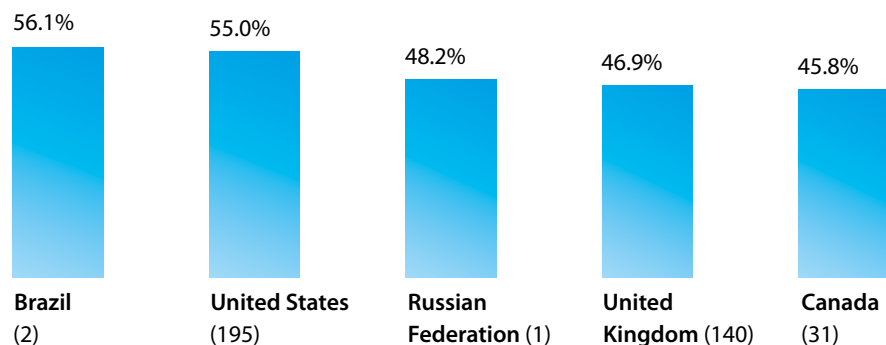
The growth rate calculation has been updated such that new issuance is considered as the only source of growth. Current quarter transfers in/out of LEIs are excluded in the growth rate calculation.

## LEI Renewal Activity

LEI Renewal | Fig.-8

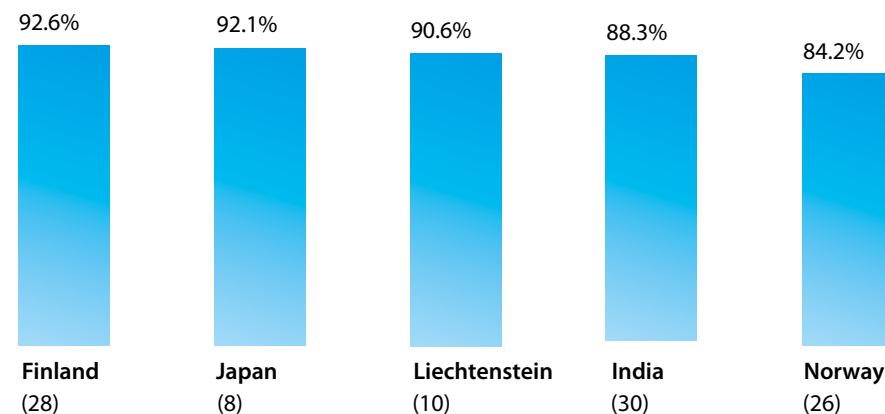


LEI non-Renewal (Lapsed LEIs) – Top 5 Jurisdictions | Fig.-10<sup>1</sup>



Total issuance in thousands at most recent quarter-end date in parenthesis.

LEI Renewal – Top 5 Jurisdictions | Fig.-9<sup>1</sup>

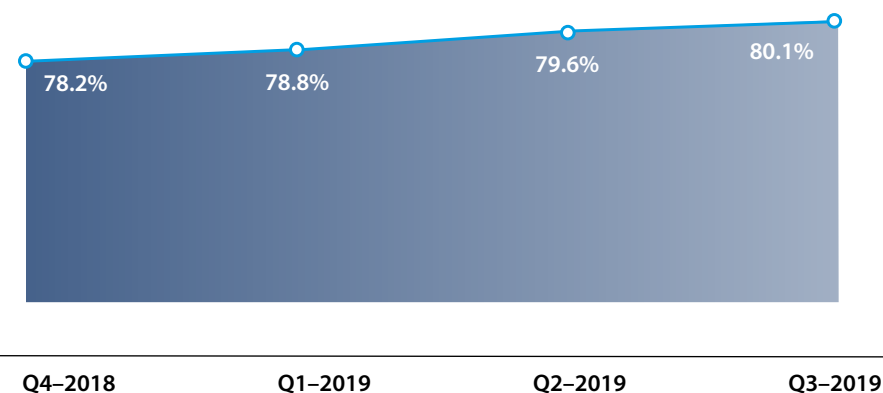


Renewal ratios of jurisdictions.

Total issuance in thousands at most recent quarter-end date in parenthesis.

## Reference Data Corroboration by LEI issuers

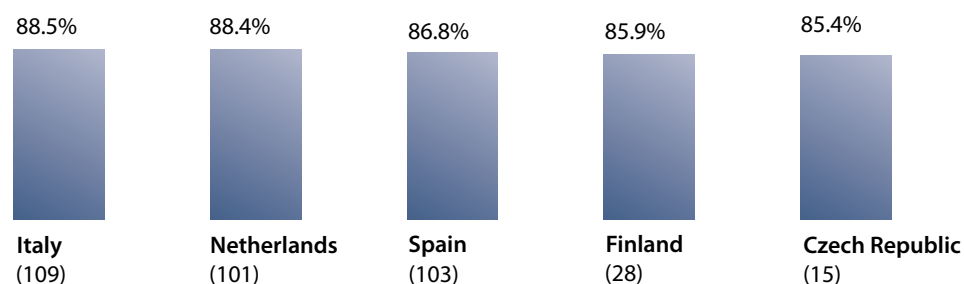
Percentage of Fully Corroborated LEIs | Fig.-11



1. Analysis includes only those jurisdictions with at least 1,000 LEIs in total at the previous quarter-end date.

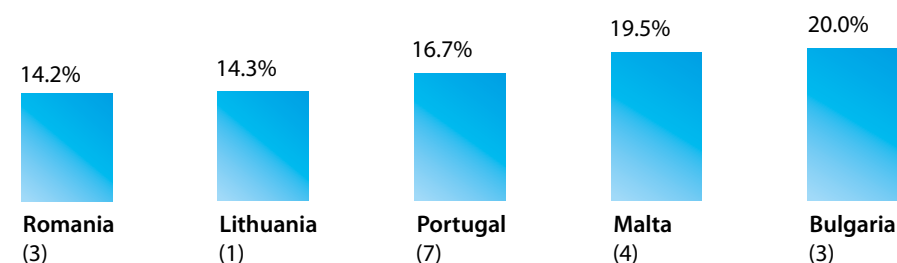
## Competition amongst LEI issuers

Least Competitive (Most Concentrated) Markets | Fig.-12<sup>1</sup>



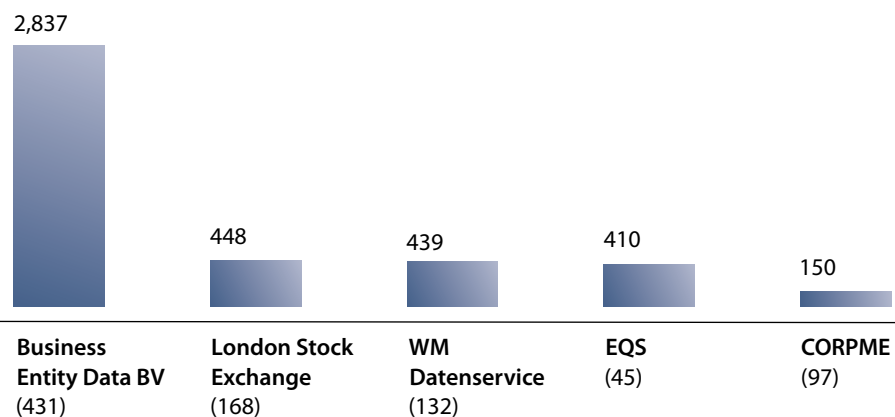
Total issuance in thousands at most recent quarter-end date in parenthesis.

Most Competitive (Least Concentrated) Markets | Fig.-13<sup>1</sup>



Total issuance in thousands at most recent quarter-end date in parenthesis.

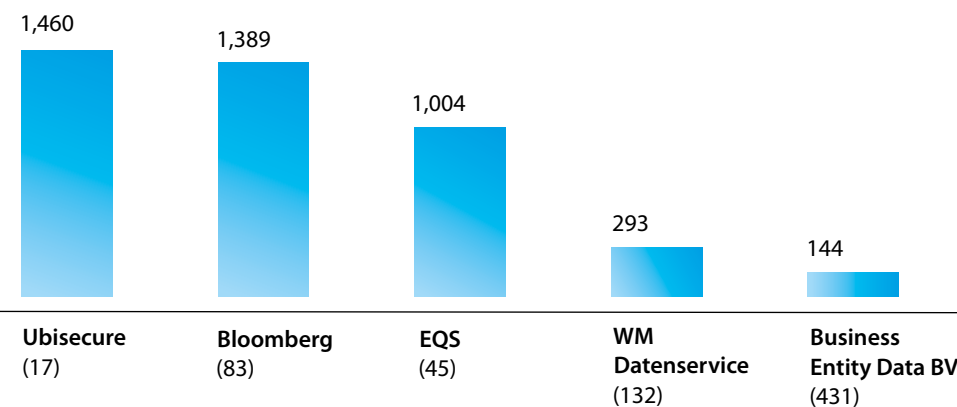
Transfers out of LEIs – Top 5 LEI Issuers | Fig.-14



Number of LEIs transferred out.

Total issuance in thousands at most recent quarter-end date in parenthesis.

Transfers in of LEIs – Top 5 LEI Issuers | Fig.-15



Total issuance in thousands at most recent quarter-end date in parenthesis.

<sup>1</sup> Analysis includes only those jurisdictions with at least 1,000 LEIs in total at the previous quarter-end date. The higher the percentage the more concentrated LEI management is with a single LEI issuer.

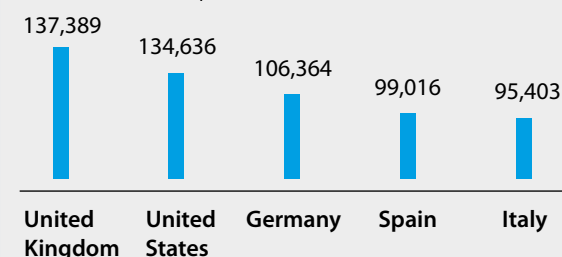
## Level 2 data report

### Q3 2019

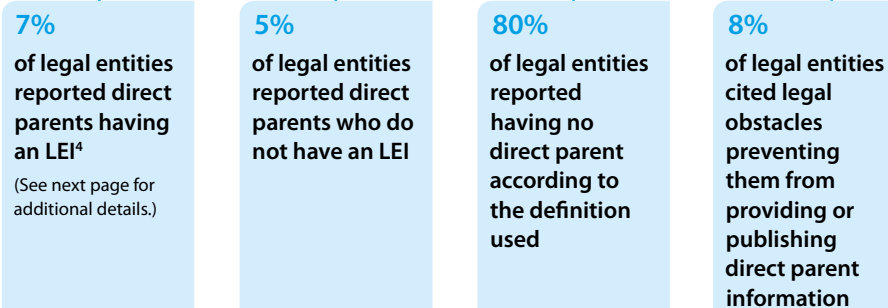
In May 2017, the process of enhancing the LEI data pool, by including 'Level 2' data to answer the question of 'who owns whom', began. The graphic below provides information on direct and ultimate parent data collected through September 2019<sup>1</sup>.

**1,286,188**  
legal entities reported  
level 2 data by the end  
of Q3 2019

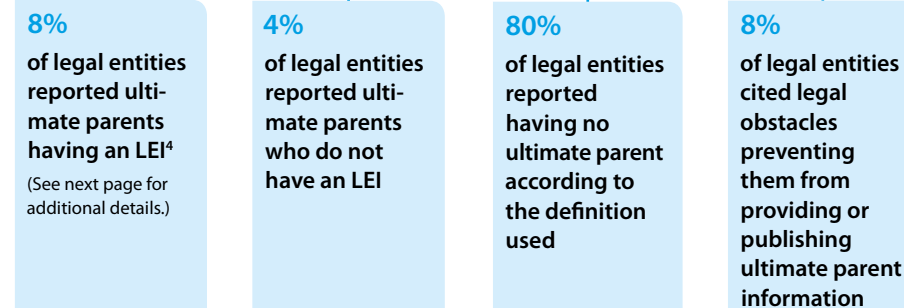
**Top 5 jurisdictions of the legal entities for level 2 reporting | Fig.-1**



Each legal entity reports information on its direct parent<sup>2</sup>:



Each legal entity reports information on its ultimate parent<sup>3</sup>:



<sup>1</sup> Referenced to level 2 relationship record CDF concatenated file dated 04 October 2019.

<sup>2</sup> 99.9% legal entities reported direct parent.

<sup>3</sup> 99.9% legal entities reported ultimate parent.

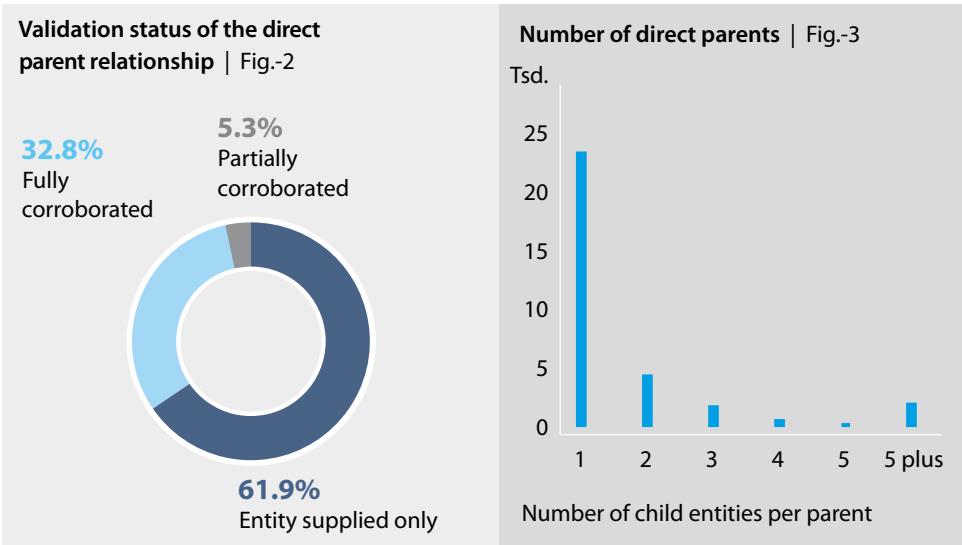
<sup>4</sup> The definitions of ultimate and direct parent are based on percentage share of accounting consolidation as per LEI Regulatory Oversight Committee prescription.  
Related link <https://www.gleif.org/en/about-lei/common-data-file-format/level-2-data-reporting-exceptions-format>



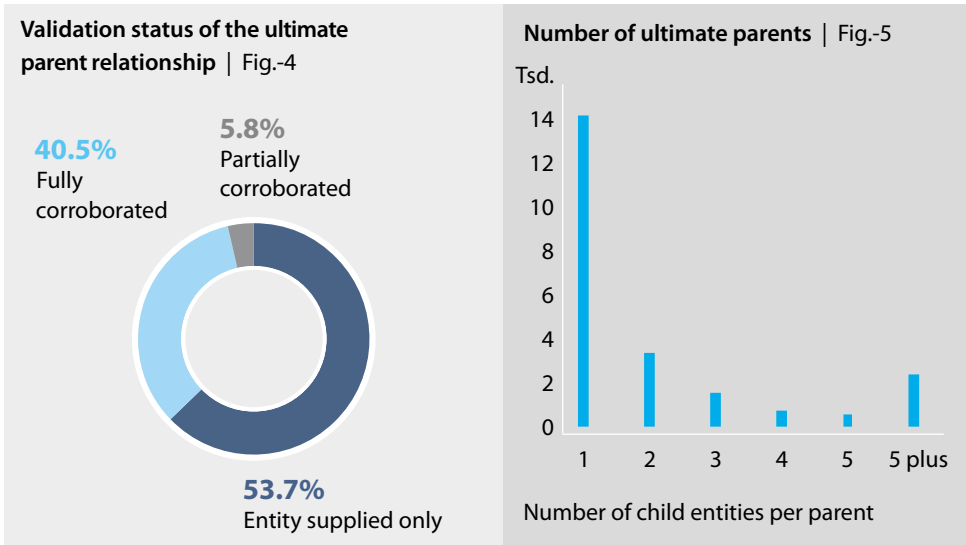
Level 2 data report  
Q3 2019

Identification of the direct and ultimate parents of a legal entity with an LEI allows users to research entities owned by individual companies. It provides a better understanding of the entity from which a company or individual is buying goods or services or in which it is investing. The following charts provide additional information on relationships where the direct or ultimate parents are identified by an LEI.

Additional information on direct parents having an LEI



Additional information on ultimate parents having an LEI



DISCLAIMER: All figures of this Global LEI System Business Report are derived from the Global Legal Entity Identifier Foundation (GLEIF)'s LEI-Common Data File (CDF) format version 2.1, Relationship Record (RR) CDF format version 1.1 and Reporting Exceptions format version 1.1 excluding LEIs with registration statuses DUPLICATE, ANNULLED, MERGED and RETIRED. While every care has been taken in the compilation of this information, GLEIF will not be held responsible for any loss, damage or inconvenience caused because of inaccuracy or error within the Global LEI System Business Report. The text and graphic content of the Global LEI System Business Report may be used, printed and distributed ONLY with the copyright information displayed (© Copyright Global Legal Entity Identifier Foundation (GLEIF)).