

## Press Release

### **The Concept of the ‘Registration Agent’, Introduced by GLEIF, Allows Firms to Help Their Clients to Access the Network of Legal Entity Identifier Issuing Organizations**

#### **Failure to obtain a Legal Entity Identifier (by the firm or its client) will prevent firms from being able to comply with the reporting requirements under MiFIR, applicable from January 2018**

6 April 2017 – Basel – The Global Legal Entity Identifier Foundation (GLEIF), the body responsible for ensuring the operational integrity of the Global Legal Entity Identifier (LEI) System, calls on market participants that will have to comply with the forthcoming European Union (EU) revised Markets in Financial Instruments Directive (MiFID II) and Regulation (MiFIR) to obtain an LEI as soon as possible. Failure to obtain an LEI (by the firm or its client) in time will prevent firms from being able to comply with the reporting requirements applicable in the EU as of 3 January 2018. To further streamline the issuance of LEIs, GLEIF has introduced the concept of the ‘Registration Agent’, which allows organizations to help their clients to access the network of LEI issuing organizations.

MiFID II and MiFIR, which cover trading venues, investment firms and intermediaries, will take effect on 3 January 2018. The MiFID II/MiFIR implementing legislative acts require a significant number of actors to obtain an LEI that are under no such obligation to date. With regard to transaction reporting under MiFIR, the European Securities and Markets Authority (ESMA) has clarified that investment firms should obtain LEIs from their clients before providing services which would trigger reporting obligations in respect of transactions carried out on behalf of those clients.

The concept of the Registration Agent, introduced by GLEIF, helps investment firms and their clients to comply with reporting requirements in general. The Registration Agent’s role in the Global LEI System is directly connected to the LEI issuing organization. LEI issuing organizations – also referenced as Local Operating Units – supply registration, renewal and other services, and act as the primary interface for legal entities wishing to obtain an LEI.

The Registration Agent may choose to partner with one or more LEI issuing organizations to ensure its clients’ needs for LEI services are met. Possible tasks performed by a Registration Agent include:

- Publishing information on its website to help a legal entity apply for an LEI with an LEI issuing organization.
- Managing communications with the legal entity.
- Collecting and transmitting to the LEI issuing organization the information required to verify the existence of the entity applying for the LEI.

Detailed information about Registration Agents and how to register for an LEI is available on the GLEIF website at [www.gleif.org](http://www.gleif.org).

GLEIF CEO, Stephan Wolf, comments: “We urge impacted market participants to get an LEI as soon as possible. The LEI issuing organizations are standing ready to assist legal entities to obtain an LEI as well as to collaborate with firms interested in acting as a Registration Agent. However, we cannot guarantee that LEIs will be issued in time for MiFID II/MiFIR to apply if registration is delayed until the fourth quarter of 2017.”

Stephan Wolf adds: “ESMA has also confirmed to GLEIF that compliance with MiFIR requires investment firms to maintain its own LEI duly renewed. This means that the reference data, i.e. the publicly available information on legal entities identifiable with an LEI, is re-validated annually by the managing LEI issuer against a third party source. An investment firm should therefore ensure that its LEI is renewed by the date stated with its LEI record.”

- ENDS -

**Full resolution images and logos can be downloaded via this link**

<https://www.gleif.org/en/newsroom/gleif-graphics-images>

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#### **Relevant link**

<https://www.gleif.org/en>

#### **Notes to Editors:**

#### **Glossary of terms**

#### **About the Global Legal Entity Identifier Foundation (GLEIF)**

Established by the Financial Stability Board in June 2014, the Global Legal Entity Identifier Foundation (GLEIF) is a not-for-profit organization created to support the implementation and use of the Legal Entity Identifier (LEI). GLEIF is headquartered in Basel, Switzerland.

GLEIF services ensure the operational integrity of the Global LEI System. GLEIF also makes available the technical infrastructure to provide, via an open data license, access to the full global LEI repository free of charge to users. GLEIF is overseen by the LEI Regulatory Oversight Committee, which is made up of representatives of public authorities from across the globe. For more information, visit the GLEIF website at <https://www.gleif.org/en>.

### **About the Legal Entity Identifier (LEI)**

The LEI is a 20-digit, alpha-numeric code based on the ISO 17442 standard developed by the International Organization for Standardization. It connects to key reference information that enables clear and unique identification of legal entities participating in global financial markets and/or in financial transactions.

The LEI is currently required in, among others, the United States and the European Union for the execution of transactions with, and reporting of, counterparties to over-the-counter derivative trades. Many other regulators around the world are implementing the LEI for financial market transactions and regulatory reporting or are considering doing so. Details of regulatory initiatives mandating LEI use are available on the Global Legal Entity Identifier Foundation (GLEIF) website: <https://www.gleif.org/en/about-lei/introducing-the-legal-entity-identifier-lei>.

### **History of the Global LEI System**

In 2011, the Group of Twenty (G20) called on the Financial Stability Board (FSB) to provide recommendations for a global Legal Entity Identifier (LEI) and a supporting governance structure. This led to the development of the Global LEI System which, through the issuance of LEIs, now provides unique identification of legal entities participating in financial transactions across the globe. The FSB emphasized that global adoption of the LEI underpins multiple “financial stability objectives” and also offers “many benefits to the private sector”.

### **LEI Regulatory Oversight Committee (LEI ROC)**

The LEI Regulatory Oversight Committee (LEI ROC) is a group of public authorities from across the globe established in January 2013 to coordinate and oversee a worldwide framework of legal entity identification, the Global LEI System. In its role as overseer of the Global Legal Entity Identifier Foundation (GLEIF), the LEI ROC ensures that GLEIF upholds the principles of the Global LEI System. For more information, visit the LEI ROC website: <http://www.leiroc.org/>.

### **LEI issuing organizations – also referenced as Local Operating Units (LOUs)**

The organizations authorized to issue LEIs to legal entities engaging in financial transactions. For more information, visit the GLEIF website: <https://www.gleif.org/en/about-lei/how-to-get-an-lei-find-lei-issuing-organizations>.

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