

Response of the Global Legal Entity Identifier Foundation (GLEIF) to the UK Competition and Markets Authority's (CMA) *The Future Oversight of the CMA's Open Banking Remedies* Open Consultation March 2021

The Global Legal Entity Identifier Foundation (GLEIF) is pleased to provide comments to the UK Competition and Markets Authority's (CMA) *The Future Oversight of the CMA's Open Banking Remedies* Open Consultation.

GLEIF would like to comment on the Question: *"Could or should the Future Entity, as UK Finance has suggested, be a suitable vehicle for the implementation of other "open" projects such as the FCA's Open Finance initiative and the BEIS Smart Data project? The Open Finance and Smart Data initiatives are not, as yet, fully defined. How, therefore might the Future Entity be designed so as to accommodate their requirements?"* under *Sustainability / adaptability* section of the Consultation.

GLEIF understands that the Future Entity will prioritize the end-users experience of the Open Data and Payments market. The vision is built on the promise that the Open Data and Payments market will enable small businesses especially to benefit from a highly efficient, safe, and reliable ecosystem and provide a platform for UK financial institutions to meet their regulatory requirements. Therefore, GLEIF suggests that the Future Entity should look to other "open" initiatives and ensure a consistent and standardized requirement rule set.

The Financial Conduct Authority emphasized in its [Consultation for Open Finance](#) that data in open finance must be digital, standardized and interoperable. Since the LEI ticks all the boxes as an existing, interoperable, digital and globally accepted open standard for unique and unambiguous identification of legal entities, GLEIF thinks that the LEI should be leveraged for any "open" project to be launched.

As highlighted in the Bank of England's response to [The Future of Finance](#) report, the LEI, as a globally recognized identifier, could vastly increase the value of data for companies, particularly small businesses. The Bank of England suggests that leveraging the LEI in 'Open Finance' would enable businesses to move around the financial system seamlessly. They could pull their data together under a single identity, the LEI, and create a portable credit file to shop around for the finance they need. This file could be shared more easily with banks and other credit providers, allowing better access to a more diverse and competitive sources of finance. And because of LEI's global recognition, it can enable businesses to access finance for cross-border trade.

GLEIF also would like to highlight the support of [Bank of England's response to the recent public consultation of the Department for Business, Energy and Industrial Strategy \(BEIS\) on smart data: putting consumers in control of their data and enabling innovation](#). The Bank mentioned in its response that by bringing together a global identity standard, the LEI, and a safe, secure and permissioned method of sharing information, an open platform can be created. This open platform could harness new data sources and advanced analytics to deliver a portable credit file for SMEs.

Considering the value add of the LEI in “open” projects, as confirmed by policymakers such as the Bank of England, GLEIF invites the Future Entity to make the LEI cornerstone of legal entity identity thereby enabling an interoperable, digital and open platform.