

Response of the Global Legal Entity Identifier Foundation (GLEIF) to the the Financial Stability Board (FSB) Consultation Paper for Achieving Greater Convergence in Cyber Incident Reporting

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The Global Legal Entity Identifier Foundation (GLEIF) is pleased to provide comments to the Financial Stability Board (FSB) Consultation Paper for Achieving Greater Convergence in Cyber Incident Reporting. GLEIF welcomes the recommendation of the FSB to include the Legal Entity Identifier (LEI) in the Format for Incident Reporting Exchange (FIRE) in the consultation.

GLEIF will also respond to Question 9. *Would the FIRE concept, if developed and sufficiently adapted, usefully contribute towards greater convergence in incident reporting?*

GLEIF agrees that the convergence of incident reporting through the FIRE concept can reduce differences in the requirements and associated with cyber incident reporting and thereby help to develop an effective policy response to promote financial stability.

Based on its experience with other reporting requirements in global capital markets, GLEIF suggests that, as rightly underlined by the Financial Stability Board in the consultation paper, adopting common reporting formats and defining common reporting requirements are crucial to promote cross-border interoperability and reduce fragmentation. Establishing common reporting requirements with standardized data, for example as suggested in the consultation paper using the LEI to identify reporting entity, can facilitate cross-border information exchange of incident reporting information across different supervisory authorities.

The consistent use of global and machine-readable identifiers, for example the LEI, could also help with the challenges of sharing confidential information across borders and data privacy rules, as well as enabling automation.

GLEIF would also like to respond to Question 11. *If FIRE is pursued, what types of organisations (other than FIs) do you think would need to be involved?*

GLEIF suggests that with the transition from open banking to open finance and open data, the cruciality of having a single standard for legal entity identification becomes more important globally. With the transition from open banking to open finance, for example in the EU, API users allowed by payment service providers are able to offer services to end users not only restricted with payments, balance-checking and viewing statements. With open finance, data from other actors such as insurance companies, and pension funds are

considered; and with open data, we have a larger universe of data providers, such as hospitals, telecom providers or energy suppliers.

Therefore, the use of the LEI on a consistent and mandatory basis in standardized forms for cyber incident reporting will enable comparability of data on a global level, reduce operational challenges for reporting entities and ensure unambiguous communication and information sharing across supervisory authorities. Although GLEIF understands that the creation of a complete, super dataset based on all existing authority reporting requirements would not be practical and flexible, GLEIF suggests that certain data fields should be mandatory where available within the FIRE framework for maximizing interoperability and comparability of data benefits. Suppose the reporting entity is identified with the LEI, regardless of the nature of business of the entity (be it a financial institution or an insurance company) or where the entity is located. In that case, all supervisory authorities receiving the cyber incident reporting will be able to speak the same language.

Please note that the LEI is already included in the data interchange formats such as XBRL – one of the options mentioned in the consultation paper for facilitating technical implementation of formatting and logic rules of data requirements.