



Enabling global identity
Protecting digital trust

Response of the Global Legal Entity Identifier Foundation (GLEIF) to the US-EU Trade and Technology Council Working Group 1: Technology Standards Subgroup on Digital Identity

March 2024

The Global Legal Entity Identifier Foundation (GLEIF) is pleased to provide comments to the U.S. and E.U. Trade and Technology Commission (TTN) on the proposed rule for electronic submission of certain materials under the Securities Act of 1934 and amendments regarding the FOCUS Report.

Consultations and proposed rules are opportunities to re-consider existing identifier schemes with longer term vision for a broader, standardized, and consistent use of global standards and open sharing across US and global regulations.

First, some background information on the LEI and GLEIF.

The LEI is a 20-digit, alpha-numeric code based on the ISO 17442 standard developed by the International Organization for Standardization (ISO). The code connects to key reference information that enables clear and unique identification of legal entities participating in financial transactions including their ownership structure. The LEI and its associated reference data are accessible to all as open, public data. The LEI is the only global standard for legal entity identification.

Established by the Financial Stability Board in June 2014 under the mission of improving financial stability and transparency due to the aftermath of the financial crisis, GLEIF is tasked to support the implementation and use of the LEI. Even though the primary and initial usage and adoption of the LEI predominantly was in financial markets and financial instruments, the LEI is use agnostic and therefore has been embraced by different industry sectors and regulators since its introduction by the Regulatory Oversight Committee, in which the Commission is an active member, and the Financial Stability Board in 2012. Further details on the use of the LEI in regulatory initiatives is provided [here](#).

Further, GLEIF would like to respond to Section 5 Topic 3: *International standards references.*

In December 2019, the Global Legal Entity Identifier Foundation (GLEIF) [announced](#) the creation of the digital equivalent of the [LEI](#): the verifiable Legal Entity Identifier, or “vLEI”. The vLEI is a digitally signed credential that makes an LEI instantly and strongly verifiable when presented in digital form, enabling digital interactions that utilize the vLEI to have a high level of assurance about the identity of the actors and the organizations they represent.

The vLEI offers a secure, verifiable approach to organizational identity and organizational credentials which are capabilities which will be needed as the U.S. agencies seek to comply with the Executive

Order requiring Zero Trust Architecture.

The expansion of the ISO 17442 standard to specify how to embed the LEI in vLEIs currently is under development. This addition to ISO 17442 expands the standard to enable LEIs to be used in both the recent innovation of credentials based on decentralized digital identity as well as X.509 public key certificates as outlined in ISO/DIS 17442-2:2019, Financial services - Legal Entity Identifier (LEI) – Part 2: Application in Digital Certificate.

Furthermore, each of the technical components of the vLEI are being considered for standardization in their own right.

- Authentic Chained Data Containers (ACDC): a type of verifiable credential that includes the feature of normative support for chaining of credentials and relies on a suite of other technical specifications including the Key Event Receipt Infrastructure (KERI) specification and the Composable Event Streaming Representation (CESR) specification.
- KERI: The vLEI infrastructure is a network-of-networks of true universality and portability, developed based on the KERI protocol as the backbone of the vLEI infrastructure. The infrastructure can support the full range of blockchain, self-sovereign identity and other decentralized key management platforms. vLEIs are hostable on any infrastructure such as ledgers and cloud infrastructures. Portability also enables the vLEI ecosystem to unify all ledger-based ecosystems that support the vLEI.
- CESR: CESR proof signatures allows vLEIs to be used to sign individual facts, documents, taxonomies, transactions, financial messages, etc. These artifacts can be signed in their entirety as well as by specific sections/parts by one or more holders of vLEI credentials. These capabilities not only provide cryptographic verification in a decentralized manner but can create a chain of provenance of data in the preparation, review, approval, and submission of reports, as an example.

GLEIF remains at your disposal to further discuss and support TTC in your work. Do not hesitate to engage us in discussions and questions related to the LEI in future rules.