

Response of the Global Legal Entity Identifier Foundation (GLEIF) to the Financial Stability Board's (FSB) Format for Incident Reporting Exchange (FIRE): Consultation report

December 2024

The Global Legal Entity Identifier Foundation (GLEIF) welcomes the opportunity to contribute to the FSB's development of a harmonised Format for Incident Reporting Exchange (FIRE) with respect to operational incidents.

GLEIF would like to respond to Q1. "Please provide any general comments to the FIRE design. Please elaborate on the preconditions (for instance, extent of uptake by individual authorities, extent of convergence) you deem necessary in order for FIRE to be successful. (Free-text)"

GLEIF fully supports the FSB's FIRE proposal to employ global identifiers such as the LEI for the identification of reporting, receiving and related entities affected by operational incidents.

As a global, standardised and machine-readable credential, the ISO 17442 Legal Entity Identifier (LEI) provides an effective means to verify all parties involved in the incident in a transparent, efficient and accurate manner.

Additionally, as rightly pointed out in the consultation, the use of global identifiers would allow to reconcile reports concerning the same entity on an international scale. In this regard, if employed consistently across the incident chain regardless of location, its interoperable character makes the LEI the ideal solution to reduce redundancy and ensure data comparability, irrespective of where FIRE is implemented. Furthermore the LEI reference data includes information on an entity's accounting consolidation parents. This allows for data aggregation and risk analysis across group structures.

When also used alongside national and local entity identification frameworks as per the FSB's FIRE proposal, the LEI allows these systems to link, creating a network of identifiers and related reference data sources. This interoperability enhances the efficiency and transparency of incident reporting and regulatory oversight. By bridging disparate identification systems, the LEI facilitates cross-border data consistency, streamlining processes for compliance. Ultimately, the FSB's proposed approach of using of global, interoperable identifiers fosters a more resilient global ecosystem.

It is worth noting that jurisdictions across the world have already started working on leveraging the LEI to enhance their cyber resilience framework. Specifically in the context of the EU Digital Operational Resilience Act (DORA), the LEI is highlighted as one of the standards mandated to identify ICT third-party service providers for cyber risk-management purposes.

GLEIF remains at the FSB's disposal to discuss and support its work regarding the testing and implementation of FIRE. Please do not hesitate to engage us in discussions and questions related to the LEI in current and future consultations.