



Enabling global identity
Protecting digital trust

Response of the Global Legal Entity Identifier Foundation (GLEIF) to the European Securities and Markets Authority (ESMA) on the Consultation Paper Guidelines on standard forms, formats and templates to apply for permission to operate a DLT market infrastructure

September 2022

The Global Legal Entity Identifier Foundation (GLEIF) is pleased to provide comments to the European Securities and Markets Authority (ESMA) on the Consultation Paper Guidelines on standard forms, formats and templates to apply for permission to operate a DLT market infrastructure. GLEIF will concentrate its comments on the usage of the LEI as part of the required general information on the applicant and verifiable LEI (vLEI), digital twin of the LEI, in DLT applications.

GLEIF would like to respond to Q1. *“Do you have any comments or suggestions regarding the proposed guidelines? If so, please provide arguments supporting your comments and suggestions.”*

First, GLEIF welcomes ESMA’s decision to make the LEI a required data field as part of the general information on the applicant. A consistent requirement of the LEI by competent authorities will enable multiple authorities assessing the applications to have the same level of understanding on the applicants and reduce complexities that local languages could present.

GLEIF would like to provide an update on the [vLEI program](#) that it recently launched. ESMA could consider the vLEI as a tool for verifying who will access the DL and participating nodes, as required under (b) information on the functioning of the DLT used, as referred to in Article 7(2) of the DLTR.

The vLEI is fulfilling a critical requirement of establishing trusted decentralized identification and verification of organizations and the persons who represent them officially or functionally in a digital and globalized economy.

By combining three concepts – the organization’s identity, represented by the LEI, a person’s identity represented by their legal name, and the role that the person plays for the legal entity, vLEI credentials can be issued and become part of organizational wallets. vLEIs can be used to identify and verify digitally organizations and persons acting on their behalf for transactions on DLs. GLEIF would be pleased to provide an update to ESMA on the vLEI governance framework and potential use cases under DLTR.