

LEGAL ENTITY IDENTIFIER (LEI) REQUIREMENTS FOR MIFID II/MIFIR

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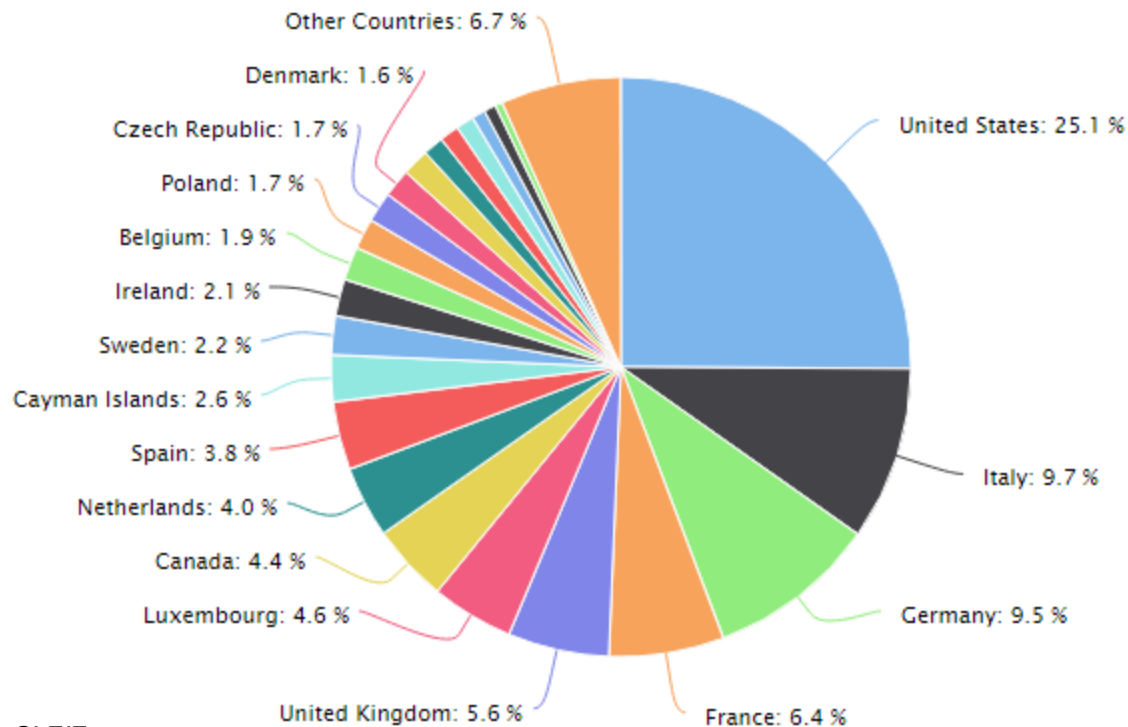
 OpenFIGI



LEGAL ENTITY IDENTIFIER (LEI) – ISO 17442

LEI is *the* entity identifier required for MiFID II/MiFIR:

- Currently just over 500k LEIs have been issued globally with the following distribution:



Source: GLEIF

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LEIs are currently issued by 31 organisations which have been accredited by the Global Legal Entity Identifier Foundation (GLEIF). The main LEI issuers are:

Value	Count	Percentage
Business Entity Data B.V. (GMEI Utility a service of BED B.V.)	246398	48.47%
Herausgebergemeinschaft WERTPAPIER-MITTEILUNGEN Keppler, Lehmann GmbH & Co.KG (WM Datenservice)	70922	13.95%
Unione Italiana per le Camere di Commercio, Industria, Artigianato e Agricoltura	46240	9.10%
London Stock Exchange	46214	9.09%
Institut national de la statistique et des études économiques (Insee)	29015	5.71%
Registro Mercantil del Reino de España	16788	3.30%
Netherlands Chamber of Commerce (KvK)	15872	3.12%
Centrální depozitář cenných papírů a.s. (CSD Prague)	9025	1.78%
Krajowy Depozyt Papierów Wartościowych S.A. (KDPW)	7783	1.53%

Source: GLEIF

The newest LEI issuer is:

Bloomberg LEI

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LEI Developments (Relevant to MiFID II)

- Expanding the range of LEI issuers to increase competition and choice;
- Introducing the concept of Registration Agents – partnering with one or more LEI issuing organisations to streamline the process for obtaining LEIs;
- GLEIF Registration Authorities list – over 650 business registers listed. The LEI issuer will reference the code of the relevant business register in the LEI data record;
- Focus on data quality and enhanced data accuracy by public monitoring and record challenges;
- Collection and dissemination of parent entity information from Summer 2017;
- Mapping to other identifiers – e.g. BIC;
- Developing LEI to help with ‘who owns what’. Entity identifiers coupled with instrument identifiers are the core data pieces in MiFID – who traded what with whom!

Instrument Identifiers such as OpenFIGI can be used to help firms manage the MiFID reference data challenge.

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LEI Issues:

- Lack of current coverage outside major US and European markets:
- Approximately 1/3 of issued LEIs have lapsed – ie required annual or other update overdue;
- MiFID II/MiFIR is expected to produce a spike in LEI demand as was seen immediately before EMIR went live. Make no mistake MiFID II/MiFIR is bigger – across asset class, not just derivatives;
- Need to integrate the LEIs into your securities masters etc;
- Key message is:

DON'T LEAVE IT TOO LATE TO GET THE LEIs YOU NEED!

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Some useful links:

Global Legal Entity Foundation: www.gleif.org

Full List of LEI issuers: www.gleif.org/en/about-lei/how-to-get-an-lei-find-lei-issuing-organizations

List of Registration Agents: www.gleif.org/en/about-lei/how-to-get-an-lei-find-lei-issuing-organizations/registration-agents

Bloomberg LEI: lei.bloomberg.com

OpenFIGI: www.openfigi.com

THANK YOU

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