FSB FINANCIAL STABILITY BOARD

LEI IMPLEMENTATION GROUP

22 August 2012

Global Legal Entity Identifier (LEI) System Operational Solution Demonstration Day Invitation

The FSB LEI Implementation Group (IG) is seeking expressions of interest from external experts to participate in and contribute to the global LEI system operational solution demonstration day that will take place on October 15, 2012 in Basel, Switzerland[1]. Participants are invited to present and explain operational proposals and solutions which will advance the implementation and development of the global LEI system. A full range of contributions may be considered, from presentation and descriptions of proposals and potential solutions to formal demonstration of applications. The demonstration day is designed to provide an opportunity for participants from across the globe to present and discuss possible operational approaches that may be drawn on in the development of a detailed plan for the formation of the Central Operating Unit via the establishment of a non-for-profit LEI foundation, and that support a high degree of federation and local implementation under agreed and implemented common standards. As discussed in the FSB LEI report, the foundation would rely on the experience and knowledge of private sector participants to identify and develop the most technologically, financially and legally sound methods to implement the global LEI system. The demonstration day is not in any way related to any possible future vendor selection process for all or part of the operational system.

The LEI system will uniquely identify parties to financial transactions. On 8 June 2012, the FSB published 'A Global Legal Entity Identifier for Financial Markets'[2] report (LEI report), which set out global LEI system High Level Principles and 35 recommendations for the development of a unique identification system for parties to financial transactions. The G20 endorsed the recommendations at the Los Cabos Summit and asked the FSB to take forward the work to implement the system.

The recommendations for the development and implementation of the global LEI system draw on the High Level Principles including:

- "Flexibility must be built into the global LEI system to provide the capability for the system to expand, evolve, and adapt to accommodate innovations in financial markets."

[1] That will be followed by a meeting of the FSB LEI Private Sector Preparatory Group (PSPG) on 16 October.

[2] http://www.financialstabilityboard.org/publications/r_120608.pdf

- "The LEI system should not be "locked-in" with a particular service provider for any key system functions or processes. The principles of competition should be ensured on both global and local levels where appropriate."
- "The global LEI system should support a high degree of federation and local implementation under agreed and implemented common standards."
- "The LEI system should meet evolving requirements of both the regulatory community and industry participants in terms of information content, scope of coverage, timeliness and availability."
- "The LEI system should promote the provision of accurate LEI reference data at the local level from LEI registrants and ensure global uniqueness of the registrants."

The FSB Implementation Group is seeking demonstrations of proposals and solutions from across the globe in line with the High Level Principles set out above and with the recommendations in the G-20 endorsed report, and that cover all or part of the proposed global LEI system. The Group is also interested to see demonstrations of identification systems used successfully in other industries and to learn from this experience. Representatives from all geographic areas and industry sectors are invited to participate in the presentation of options – proposals are welcome from non-members as well as members of the FSB Private Sector Preparatory Group (PSPG). In line with the report recommendations, participants are welcome to demonstrate solutions that ensure the application of uniform global operation standards and protocols that deliver global uniqueness of the LEI, seamless access to the global LEI and to high quality reference data for users with depth of access controlled by appropriate access rights, as well as protocols and methods for how local systems can connect to the Central Operating Unit among other requirements. The LEI system should enable the use of local languages, organisation types and relationship structures. The Implementation Group is consequently also seeking demonstrations of local identification and registration systems (both from within the private and public sectors) and proposed methods of their integration into the global LEI system.

If you are interested in participating in the global LEI system operational solution demonstration day, please send your nominations by e-mail to nigel.jenkinson@bis.org and irina.leonova@bis.org by **22 September 2012**. In your nomination please indicate:

- name of the company/organisation and the corporate group it belongs to (if applicable);
- brief description of the proposed solution(s) to be demonstrated and how it could be utilized in the establishment and/or development of the global LEI system;
- the desired form of the contribution (in case of a demonstration, an expected duration for each demonstration is 30 minutes at the maximum)
- any other relevant information.

Any questions should be directed to Nigel Jenkinson (nigel.jenkinson@bis.org) and Irina Leonova (irina.leonova@bis.org).