

Press release

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Establishment of the Global LEI Foundation

The FSB Plenary, in its capacity as Founder of the Global Legal Entity Identifier Foundation (GLEIF), has approved the necessary documents to create the GLEIF and is filing the papers with the Swiss authorities to establish the GLEIF as a Swiss not for profit Foundation.

The Plenary also endorsed the appointment of the inaugural Board of Directors of the GLEIF and the appointment of Gerard Hartsink as the initial Chair of the GLEIF (see Annex 1)¹, in line with the statutes of the GLEIF. As a key element in the process of the formal establishment of the GLEIF, the Board of Directors held its inaugural meeting in Zurich on 26 June.

The establishment of the GLEIF will mark the completion of the establishment of the 3-tier structure for the Global LEI System (GLEIS) as endorsed by FSB and the G-20 in June 2012².

The first tier, the Regulatory Oversight Committee (ROC), was established in January 2013 with responsibility for the governance and oversight of the GLEIS in the public interest. The ROC took over the leadership of the LEI initiative from the FSB in January 2013, and now has 63 members from public authorities across the globe.

The GLEIF forms the second tier and will act as the operational arm of the system. Under the supervision of the ROC, the GLEIF, responsible for the Central Operating Unit, will constitute the contracting and operational body of the GLEIS. It will support the application around the world of uniform operational standards and protocols set by the ROC and support the maintenance of a 'logically' centralised database of identifiers and corresponding reference data.

¹ The initial Board is identical to the nominated candidates published by the FSB on January 14 2014 http://www.financialstabilityboard.org/publications/r_140114.htm.

² 'Global Legal Entity Identifier for Financial Markets', FSB, June 8 2012 http://www.financialstabilityboard.org/publications/r_120608.pdf.

The third tier is provided by the federated Local Operational Units which supply registration and other services, and act as the primary interface for registrants for LEIs. There are currently 28 pre-LOUs, 16 of which have been endorsed by the ROC to issue globally accepted legal entity identifiers and 12 which have been allocated prefixes to support their operational planning and development.

Those three tiers constitute the GLEIS, that will provide unique identification of parties to financial transactions as a key building block to support multiple financial stability objectives, as outlined in the June 2012 FSB LEI report. The FSB welcomes the completion of the structure, and is very grateful to the ROC, the Board nominees, the pre-LOUs and many other stakeholders for the preparatory work to support the successful launch of the global LEI system and for taking on the responsibilities. It looks forward to the advancement and expansion of the Global LEI System³.

Notes to editors

The Global LEI System has the objective of providing unique identification of parties to financial transactions across the globe, to underpin multiple financial stability objectives including: improved risk management in firms; better assessment of micro and macroprudential risks; the facilitation of orderly resolution: promoting market integrity and containing market abuse and financial fraud; and supporting higher quality and accuracy of financial data overall. It shall also provide many benefits to the private sector, including lowering operational risks and facilitating straight through processing. The G20 called for the FSB to take forward preparatory work to develop an LEI system at the Cannes Summit in November 2011, and subsequently endorsed the recommendations of the FSB at the Los Cabos Summit in June 2012 ('A Global Legal Entity Identifier for Financial Markets' http://www.financialstabilityboard.org/publications/r_120608.pdf).

Any questions regarding this press release can be addressed to irina.leonova@bis.org or nigel.jenkinson@bis.org at the Secretariat of the Financial Stability Board.

The FSB has been established to coordinate at the international level the work of national financial authorities and international standard setting bodies and to develop and promote the implementation of effective regulatory, supervisory and other financial sector policies in the interest of financial stability. It brings together national authorities responsible for financial stability in 24 countries and jurisdictions, international financial institutions, sector-specific international groupings of regulators and supervisors, and committees of central bank experts.

The FSB is chaired by Mark Carney, Governor of the Bank of England. Its Secretariat is located in Basel, Switzerland, and hosted by the Bank for International Settlements. For further information on the FSB, visit the FSB website, www.financialstabilityboard.org.

³ Press releases from the ROC and the GLEIF are being released on the LEI ROC website: <http://www.leiroc.org/>

Annex 1: Board of Directors of the Global Legal Entity Identifier Foundation

Name	Jurisdiction	Title
Sergio Chodos	Argentina	Alternate ED: IMF
Bo Chen	China	General Manager and member of the Board of Director: China Financial Computerisation Corporation
Wolfgang Koenig	Germany	Head of Chair of Information Systems and Information Management: Goethe University Frankfurt
Ravi Mathur	India	CEO: GS1 India
Hiroshi Kawagoe	Japan	General Manager: Sumitomo Mitsui Banking Corporation
Hyoung Seok Lim	Korea	Research Fellow: Korea Institute of Finance
Nabil Al Mubarak	Saudi Arabia	CEO: Saudi Credit Bureau: SIMAH
Arthur Cousins	South Africa	CEO: International Payments Framework Association
Bruno Schutterle	Switzerland	Strategic Procurement: Bank Julius Baer
Gerard Hartsink	The Netherlands	Chair: CLS Group Holdings, (Chair of the GLEIF)
Ayhan Keser	Turkey	Executive Vice President: Albaraka Turk Katilim Bankasi
Chris Taggart	UK	Co-Founder and CEO: OpenCorporates
Howard Edelstein	USA	Operating Partner: Advent International
Jefferson Braswell	USA	Founding Partner: Tahoe Blue Ltd
Robin Doyle	USA	MD Corporate Regulatory Strategy and Policy: JP Morgan Chase
Tim Smucker	USA	Chair: JM Smucker Company