

## **Response of the Global Legal Entity Identifier Foundation (GLEIF) to the European Commission's consultation on the Evaluation of Regulation (EU) No 1025/2012 on European Standardisation**

July 2024

The Global Legal Entity Identifier Foundation (GLEIF) welcomes the opportunity to provide input to the European Commission (EC) on the assessment of the implementation of the EU Standardisation Regulation.

While it is key to elevate the work of EU standards, GLEIF believes it is equally important to continue leading the development and implementation of global standards, with the EU's input. GLEIF has always valued the EU's commitment to this matter.

It is vital for policymakers to take concrete steps to leverage the work of global standards organizations, ensuring that these instruments are implemented efficiently for the benefit of businesses.

A significant issue facing European companies operating across the globe is the need to maintain multiple identity credentials, as non-EU jurisdictions often do not recognize the proposed EU standards. This fragmented global landscape for identification credentials creates additional hurdles for EU businesses and undermines the work of supervisors in cross-border cases.

Global standards such as the ISO 17742 LEI can play an important role in advancing the EU's standardisation agenda for entity identification.

The use of the LEI, along with its digital counterpart, the vLEI, has the potential to reduce business barriers by enabling European companies to comply with the rules set by different regulators, thereby streamlining global trade.

Furthermore, the LEI provides a digitally efficient means of global counterparty identification, enhancing transparency and allowing supervisors and businesses to better understand 'who owns whom'.

In this context, GLEIF calls on policymakers to further embed the LEI in the European Standardisation System (ESS), by specifying in the Regulation that the Commission must



Enabling global identity  
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request global standards when these offer better outcomes for the industry. This initiative would ensure that businesses can efficiently leverage the LEI for identification purposes.

Similarly, the introduction of the LEI would ensure that the EU's standardisation strategy remains focused on global interoperability and digital innovation.

At present, the LEI is referenced in multiple pieces of EU legislation for counterparty identification purposes, with examples including the new AML Regulation<sup>1</sup> (AMLR), the recast Transfer of Funds Regulation<sup>2</sup> (TFR), the Instant Payments Regulation<sup>3</sup>, as well as the Market in Financial Instruments Directive (MiFID II) and Regulation (MiFIR)<sup>4</sup>. Such instances underscore the pivotal role global standards play in the EU's policy agenda and highlight the need for their further integration into the EU's broader standardisation efforts.

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<sup>1</sup> [https://www.europarl.europa.eu/doceo/document/A-9-2023-0151-AM-329-329\\_EN.pdf](https://www.europarl.europa.eu/doceo/document/A-9-2023-0151-AM-329-329_EN.pdf)

<sup>2</sup> European Council, Digital finance: Council adopts new rules on markets in crypto-assets (MiCA), available at: <https://www.consilium.europa.eu/en/press/press-releases/2023/05/16/digital-finance-council-adopts-new-rules-on-markets-in-crypto-assets-mica/>

<sup>3</sup> REGULATION (EU) 2024/886 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 13 March 2024 amending Regulations (EU) No 260/2012 and (EU) 2021/1230 and Directives 98/26/EC and (EU) 2015/2366 as regards instant credit transfers in euro [https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L\\_202400886](https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:L_202400886)

<sup>4</sup> <https://www.gleif.org/en/newsroom/blog/act-now-the-concept-of-the-registration-agent-introduced-by-gleif-helps-firms-to-comply-with-reporting-requirements-under-mifid-ii-mifir-to-apply-as-of-january-2018>