

Response of the Global Legal Entity Identifier Foundation (GLEIF) to the European Supervisory Authorities (ESAs) on the Consultation on Guidelines under the Markets in Crypto-Assets Regulation

October 2024

The Global Legal Entity Identifier Foundation (GLEIF) is pleased to provide comments to the European Supervisory Authorities (ESAs) on the Consultation on Guidelines under the Markets in Crypto-Assets Regulation.

First, GLEIF would like to respond to Q1. *“Do respondents have any comments on the template for the purposes of Article 8(4) Regulation (EU) 2023/111?”*

The Global Legal Entity Identifier Foundation (GLEIF) welcomes the ongoing work by the European Supervisory Authorities (ESAs) to lay down a concrete framework for the classification of crypto assets under MiCA.

GLEIF particularly welcomes the possibility for offerors or trading platforms to disclose their LEI, on a where applicable basis, as part of the template when explaining the classification of their crypto asset (Annex A of the draft Guidelines).

GLEIF believes that it is important to have a consistent and standardized approach for classifying digital assets that are neither Asset-referenced tokens (ART) nor E-money tokens. Leveraging international standards such as the LEI can ensure that the EU’s crypto framework remains future proof to emerging global trends.

In particular, the inclusion of the LEI is consistent with the MiCA framework, which already foresees entities to disclose their LEI as part of the white paper for crypto assets other than ARTs and EMTs (Annex I of MiCA).

The use of the LEI can also strengthen supervisory work by providing an efficient means of identifying ‘who is who’ in the European crypto market. Furthermore, the correct identification of market participants through the LEI can facilitate data-sharing between supervisors tasked with overseeing potential ML/TF risks (for further information, please consult the Bank of International Settlements’ [Project Aurora – the power of data, technology and collaboration to combat money laundering across institutions and borders, June 2023](#))

To ensure that the information requested in the annex to the template (Annex A of the draft guidelines) is clear and consistent, GLEIF recommends the following:

1. Eliminate the data elements that are duplicative with the LEI reference data – specifically EEA/Member State of establishment, branch or registered office. This will reduce regulatory reporting burden and fully leverage the globally standardized reference data associated with the LEI. For example, the entity legal form noted in the LEI record conforms to the ISO standard 20275 ‘Financial Services – Entity Legal Forms (ELF)’. And the national authority providing the national identification number is a standardized code from the Registration Authorities List.
2. Introduce a statement clarifying that the LEI must conform with the Regulatory Oversight Committee policy (ROC). The ROC was established in November 2012 to coordinate and oversee the Global LEI System. The ROC is composed of more than 65 financial markets regulators and other public authorities including ESMA. The inclusion of this statement is a necessary step to ensure the LEI is leveraged in the most efficient manner, most notably by ensuring that the reference data included is regularly updated.

GLEIF would like to respond to Q2. *“Do respondents have any comments on the template for the purposes of Article 17(1) point (b)(ii) and Article 18(2) point (e) of Regulation (EU) 2023/1114?”*

GLEIF welcomes the requirement for entities to disclose their LEI, on an if applicable basis, when submitting their legal opinion on the classification of an Asset-referenced token (ART).

Such approach is consistent with the MiCA framework which envisages issuers of ARTs to disclose their LEI when submitting their crypto asset white paper (Annex II of MiCA).

In line with our previous comments, GLEIF wishes to suggest the follow amendments to the legal opinion form (Annex B of the draft Guidelines) to ensure that the information requested is clear, consistent, and does not create additional administrative burdens:

- (1) Eliminate the data elements that are duplicative with the LEI reference data – specifically EEA/Member State of establishment. This will reduce regulatory reporting burden and fully leverage the globally standardized reference data associated with the LEI. For example, the entity legal form noted in the LEI record conforms to the ISO standard 20275 ‘[Financial Services – Entity Legal Forms \(ELF\)](#)’. And the national authority providing the national identification number is a standardized code from the [Registration Authorities List](#).
- (2) Introduce a statement clarifying that the LEI must conform with the [Regulatory Oversight Committee policy](#) (ROC). The ROC was established in November 2012 to coordinate and oversee the Global LEI System. The ROC is composed of more than 65 financial markets regulators and other public authorities including ESMA. The inclusion of this statement is a necessary step to ensure the LEI is leveraged in the most efficient manner, most notably by ensuring that the reference data included is regularly updated.