

Legal Entity Identifier (LEI)
CFTC Interim Compliant Identifier (CICI)

Reference documents:

Standard (ISO 17422) http://www.iso.org/iso/catalogue_detail?csnumber=59771

FSB website : www.financialstabilityboard.org

ROC website : <http://www.leiroc.org>

FSB charter on ROC : http://www.financialstabilityboard.org/publications/r_121105c.pdf

List of "Pre-LOUs" within the framework of issuing "Pre-LEIs" :

http://www.leiroc.org/publications/gls/lou_20131003_2.pdf

List of assigned CICIs: <https://www.ciciutility.org>/<https://www.ciciutility.org>

Pre-LEI attribution form of INSEE and consultation list of existing Pre-LEI given by INSEE : <http://lei-france.insee.fr/>

Effective date(s):

CICI: March 2013 for derivatives processed in the USA

Autumn 2013 : EMIR imposed the use of LEI for some derivatives in Europe

LEI: 3rd quarter of 2014 obligation to use the code in financial transactions.

Introduction:

Conducted by the FSB (Financial Stability Board), the creation of the Legal Entity Identifier (LEI) follows the difficulties encountered during the identification of the legal entities of Lehman Brothers that were involved in the financial transactions and affected by the failure of the establishment.

LEI aims to respond to the need to distinctly identify the legal entities (other than individuals) involved in financial transactions.

In this framework, a codification standard has been defined (ISO 17422). This standard makes it possible to establish codes with 20 alphanumeric characters to which additional public data (name, address, status of the identifier, etc.) and non-public data (legal form, "parent" entities, i.e. the entity that is liable in the event of failure, etc.) are attached.

The deployment of an organisation able to administratively manage the LEI is associated to this definition of the standard. This organisation came into effect in the 2nd quarter of 2013 and revolves around three bodies:

- the ROC or Regulatory Oversight Committee, the worldwide administrative supervisory body
- the COU or Central Operating Unit in charge of data integrity
- the LOU or Local Operating Unit which assigns the LEIs. It is, by jurisdiction, the interface with the establishments and therefore the "regional" relay for the overall organisation.

During the implementation phase of the Global Legal Entity Identifier System (GLEIS), LOUs were considered as "pre-LOUs" and they have attributed interim LEIs named as "pre LEIs". This situation is coming definitive when LOUs are officially recognized. More than 30 LOU are currently certified such as CICI Utility (DTCC USA), INSEE (France), WMDatenservice (Germany), London Stock Exchange (UK), Takasbank (Turkey)... to which new entities are regularly added when being endorsed by the ROC. (http://www.leiroc.org/publications/gls/lou_20131003_2.pdf)

In France, the INSEE has been declared as "pre-LOU" on **March 2013, the 18th** based on the **consideration that French administration will implement LEI through a** correspondence between the SIREN code and the LEI with applicable fees according to the guidelines given by [Ministry of Finance and Economy decree of June 2013, the 28th](#).

Two procedures exist for the assigning of LEIs or pre-LEIs (CICIs):

- at the initiative of the entity concerned (Self Registration)
- at the request of a third party (Third Party Registration). The counterparty that has an identifier assigned to it must verify the data. An LEI therefore has a status (certified or not certified).

In December 2017, more than 700 000 LEI was distributed on more than 197 countries with an increase of 30% in a quarter.

Legal Entity Identifier (LEI)
CFTC Interim Compliant Identifier (CICI)

Some topics are under further discussions such as hierarchy considerations between different legal entities or branch in the same group of company.

Current situation:

June 2012 : During Los Cabos summit, G20 validated the Global Legal Entity Identifier System (GLEIS) in order to identify actors involved in the financial markets. This has open a Pre-LEI phase. In the USA as a consequence of the Dodd-Franck Act, several associations, financial institutions and the CFTC (US Commodity Futures Trading Commission) have entrusted DTCC and SWIFT with the assigning of unique identifiers used as an interim solution for setting up the LEI. This US pre-LEI is designated as CFTC Interim Compliant Identifier (CICI) and is already active. It has become mandatory in March 2013 for derivatives processed in the USA. Other countries put in place progressively their own organizations.

6 February 2013: A launch group for the Market organisation concerning the LEI project in France revolving around a Technical Group for the market, which supervises six workshops, one of which addresses the migration of the CICI to the LEI.

18 March 2013: INSEE declared as "pre-LOU"

March 2013: obligation to use the CICI for derivatives processed in the USA

2nd Quarter of 2013: setting up of the administrative organisation

September 2013 : launch of INSEE service of on line demand in French for a LEI

December 2013 : launch of french INSEE service of on line demand in English for LEI

February 2014 : [EMIR](#) imposed the LEI for trading some derivatives

24 August 2014: publication of Articles of Law of GLEIF (Global LEI Foundation) founded in June

7 September 2015 ROC issues a consultation paper on concept of group, branches...and data collections (deadline 19 October)

30 September 2015 ROC defines conditions of attribution of LEI for specific professionals exercising as physical persons on Financial Markets.

7 October 2015 ROC confirm the GLEIF capacities to exercise its COU functions.

19 October 2015 Consultation launched by ROC on taking in account in the GLEIS datas regarding branches (deadline 16 November 2015)

En Savoir plus :

Contact SGSS/SMI :

Pierre Colladon (pierre.colladon@sgss.socgen.com)