EU rules on LEI
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1. MiFID II objectives & LEI rules
2. LEI & ESMA data strategy
3. Upcoming rules: EMIR refit
4. Upcoming rules: SFTR
1. Background: LEI rules under MiFID II

1) Issuers of financial instruments traded on EU venues

- Non-EU corporate Issuer
- EU financial Issuer

EU trading venue

CA or ESMA

Public dissemination by ESMA

2) Clients of EU investment firms *(no-LEI no-trade)*

- Non-EU Client 1 (financial)
- EU client 2 (corporate)

EU investment Firm

Legend: green colour indicates obligation to obtain LEI; the red arrow indicates the report; CA = Competent Authority.
1. LEI data supports regulatory objectives
2. Common supervisory plan on LEI under MiFID II

- Focus on LEI of clients and issuers
- Key drivers
  - LEI of clients and issuers is key to achieve MiFID II objectives
  - Extraterritorial element calls for coordinated action at EU level
  - Need to ensure even playing field due to multiple supervisory approaches.
- Key outcomes
  - Common approach to monitoring missing or inaccurate LEIs
  - Level playing field by ensuring minimum supervisory approach across EU
2. LEI & ESMA data strategy

• **Governance** – Centralization and close coordination of policy and data quality management work across all sectoral legislations within ESMA

• **Standardization** – Development of a common Data Reporting Standards Framework – Use of ISO (e.g. LEI, ISIN) and other international standards

• **Implementation** – Systematic development of Data Action Plans for all data collected by NCAs and ESMA

• **Opportunities** – Assessing RegTech trends and potential use of RegTech at ESMA and NCAs

• **Communication** – Increasing communication on ESMA use of data (publications, seminars, reports, studies, etc.)
3. Upcoming rules: EMIR REFIT

Level 1

Political Trilogues (still no final L1 text)

Level 2

12 months from OJ publication for ESMA to develop TS (including industry consultation).

3 months for EC to endorse ESMA TS

3 months for EP and Council

TS are published in the OJ

Implementation lead time as set in ESMA TS

OJ = Official Journal
TS = Technical Standards
4. SFTR reporting – data building blocks

**MiFIR exemption:** SFTs reported under SFTR should not be reported under MiFIR
4. SFTR Technical Standards timeline

- Around 50 responses received at each of the two rounds of consultation
- ESMA submitted the Final report to EC on 30 March 2017
- ESMA submitted an opinion on the EC’s intended amendments on 4 September 2018