



ESMA highlights importance of LEI for MiFIDII/MiFIR compliance

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News Item:

The European Securities and Markets Authority (ESMA) has published a Briefing on the Legal Entity Identifier (LEI) as part of its efforts to raise industry awareness and facilitate compliance with the LEI requirements under MiFID II ahead of its 3rd January 2018 launch.

Legal Entity Identifier:

- Is key to improving market surveillance and transparency; it also generates important benefits for businesses in terms of costs reduction, improved risk management and increased operational efficiencies
- Plays a key role in the new harmonised data-reporting regime under MiFID II and it is crucial to ensure the quality of the data reported to EU supervisors
- LEIs are also key for matching and aggregating market data both for transparency and regulatory purposes

ESMA expectation:

- ESMA expects market participants to take all necessary steps to ensure full compliance with the LEI requirements under MiFID II
- Based on its previous experience with EMIR reporting, ESMA urges reporting entities not to delay in addressing this important matter, as advance preparation will help in avoiding backlogs and ensuring that all market participants are ready for the new regime

Steven Maijoor, Chair, said: *“ESMA expects all relevant trading venues and investment firms to comply with the MiFID II requirements on LEIs ahead of the implementation of the new regime on 3rd January 2018. “It is vital that investment firms and trading venues make the necessary efforts to obtain their LEIs in good time. “This is not a difficult process, if you make the effort now you can obtain your LEI within a short time frame, it costs a few hundred euros and will save you time and expense in the long run, while providing comfort to your clients, counterparties and regulators.”*

To read the LEI briefing note please follow this link:

https://www.esma.europa.eu/sites/default/files/library/esma70-145-238_lei_briefing_note.pdf

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