

Q1. Which are your views on the use of pre-LEIs as unique identification codes for supervisory purposes for credit and financial institutions in the European Union?

As expounded in the current recommendation, according to other LEI descriptive reports, the use of pre-LEI (with its correct implementation) as unique identification codes in the EU initially and non-EZ countries after, is essentially a decisive action for different reasons:

- To improve risk management making it a more efficient process, regarding instant access to financial transactions and commercial relations, likewise benefiting supervisory bodies with faster identification of massive international capital movements.
- To improve international finance security, through *Financial Transactions – ID* identification by regulatory and supervisory bodies.
- To better recognize the macroeconomic structure of our regional bodies. Knowing the highest percent of LEI per regions, it is also possible to manage more specific actions relative to public policy and international policy.

TO CONSIDER

- It is still somehow confusing or unspecified how the use of LEIs identification code may be integrated into the ISO standard format such as BIC-SWIFT and other national regulatory codes.
- Part of the code identification relates to companies, and it is understood in the different consulted documents codes will also identify specific transactions.
- The definitive implementation of the whole data system seems to be more complicated and troublesome than expected, even if the regional bodies are committed to do so.

**We can then identify 3 broad work areas: governance, operations, and relationship data.*

Q.2 Can you provide inputs for assessing the costs and benefits of this draft recommendation?

It has been mentioned in the current paper, but also in independent business consulting company findings, that the early implementation of the LEI company codes will provide them with the support of the supervisory identification admission and leading to a more reliable profile with which develop business relations.

- The classification of various categories as legal entities also contributes to establishing the main commitment of each company.
- An addition to the list of numerable benefits might be the amendment of the existing lack of transparency in Banks, Credit and Financial Organization, especially in the international transactions environment and capital shelters (tax havens & inefficient regional taxation-regulation).
- The registration of international codes for companies will help to boost brand recognition internationally and incentivate small and medium-size companies to go international.

- The correct recognition of codes, registered from one country to another, will be the first step in identifying the existence of unrecognized tax havens and will eventually bring along with G-20 about their extinction.

COSTS

- The cost of the activation of the bureaucracy machinery to attend the codes collect and registration task, is probably the first consideration, as mentioned in the last point of Q1.

- Banks will yield to higher control of their international transactions, something that the sector might consider inadequate intromission.

Q.3 *Please, provide your feedback on the proposed timeline and the proposal of having less tight deadlines for banks not included in the EBA sample.*

If we can take the dates which are presented in the current document as valid, although for the supervisory purposes they are extremely ambitious. I would personally like to see all the European financial entities with the established codes by March 2014.

Unfortunately I do not deem all of the expected dates attainable to all of them. However we do not have data about the specific entities that have already been moving ahead and have already coded their financial transactions.