

The Global LEI Initiative –2025 Annual Report



January- December 2025

The LEI is but a small step in the global data standards landscape yet a giant leap forward for financial transparency.

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Status of implementation of the Legal Entity identifier (LEI) at Year-end 2025

In 2025, the Global Legal Entity Identification Foundation (GLEIF) and its Legal Entity Identifier (LEI) system continue to position itself as a critical global infrastructure for organizational identity. At year-end 2025, the 39 Local Operating Units (LOUs) registered a total population of 3.17 million issued LEI records. In-use records ('Active' records) totaled 2.93 million and lapsed records were 1.12 million. Europe continues to lead all jurisdictions with two-thirds of the world's registered LEIs.

The system has been transitioning from its initial and primary focus on financial institutions to a much broader use in all manner of identity management. The first use was for financial institutions' over-the-counter (OTC) derivatives products, such products as Swaps and credit derivatives that were blamed for the financial crisis that occurred during 2007-2008.

Thereafter, recognizing the overall lack of unique identities for counterparties in financial institutions in general, a decades long deficit left to fester with a myriad of competing standards, the LEI was further positioned for use in capital market regulatory compliance. Finally, it was to be used for risk management reporting.

Since the LEI's inception, dating back to 2010, it has been constantly expanded from its initial target of participants in OTC derivatives to encompass new segments of the universe of financial institutions. It advanced into a broadened view of capital markets participants, payment systems users, collective investments, government agencies, trusts and pension funds, and municipalities. It then was reinvented for a broader audience, as the definitive business identifier for use in digital trust, fraud prevention, supply-chain management, cross-border trade finance, customs and border protection, and industry-to-government-agency reporting.

Along the way GLEIF mapped the LEI to national business registries and to other commercial identifiers and created the Verifiable LEI (vLEI), a chain of organizational identifiers rooted to a legal entity's LEI that allows for verifying officers and others with authorization to represent the business entity.

Besides such bold new functionality, it also managed significant technological and operational accomplishments; setting up the legal and organizational structures necessary to stand up and run a global entity; build a network of distributed operational and technological protocols and components; established a standard format for collecting, maintaining and distributing LEIs; and signed up commercial entities to implement new LEI registration agents (100) and vLEI credentialing organizations (23).

Throughout all the evolving, expanding activities and LEI registrations, the number of non-renewed (lapsed) LEIs remained consistently over one-third of all registered LEIs, a continuing sign of data quality deficiencies. Renewing LEIs each year was required to assure information on the business entity was up-to-date. To assist in data quality transparency, a Policy Conformity Flag was introduced in 2005 to denote that the registered LEI was both up-to-date (not Lapsed) and had also recorded its parent-child relationships.

Both above items had always been contentious issues from inception. Having continually defied both voluntary and mandated updating of each business entity's LEI record, renewing was a secondary thought after receiving an LEI to transact with. As to parent-child relationships, GLEIF asks each LEI registrant to associate each registered LEI with its intermediate and parent entity, requiring each to have an LEI themselves. Thereafter, the LOUs are required to validate this information through secondary sources. However, consistently, the secondary-sourced parent-child relationships have only been validated 50% of the time, relying on the business entity's submission solely. Only 136,098 LEIs have a parent relationship recorded.

It should be noted that in observing the above 136,098 LEIs that have a parent relationship, the reporting of Complete Parent Information stood at 2,952,229 giving the appearance of contradictory data. However, 'complete' parent information is a misnomer as it includes the number of exception records of LEIs (5,656,761) that have recorded exceptions allowed by GLEIF to exempt the legal entity from registering either an LEI for its intermediate or ultimate parent.

A consequence of partial implementation of the LEIs for parent-child relationships is its implications for satisfying the risk data aggregation mandates of the G20's Financial Stability Board (FSB). This global regulatory body promulgates and then monitors regulations meant to stabilize the global financial services industry. The FSB has focused mainly on the risk regimes of nations based upon capital reserves that their financial institutions must maintain. In particular, the FSB has focused on globally systemically important banking Institutions (G-SIBs), organizations so designated after the 2007-8 financial crisis. It was thought these organizations had been most responsible for the financial crisis and posed the greatest threat of creating catastrophic systemic risk in the future.

Annual Statistics on LEI Issuance, Renewals and Relationship Data 2016-2025

Yearly Comparison										
LEI Issuance & Non-renewed (Lapsed) LEIs	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	Year-end	Year-End	Year-end	Year-end	Year-end	Year-end	Year-end	Year-end	Year-end	Year-end
Total LEIs issued	481,522	975,741	1,337,925	1,542,037	1,777,458	2,038,661	2,292,142	2,532,322	2,809,870	3,165,230
Total Active LEIs						1,954,190	2,191,498	2,409,003	2,633,721	2,934,396
Total Lapsed (non-renewed) LEIs	139,461	169,778	313,915	459,436	585,029	690,397	824,796	978,481	1,053,580	1,123,008
Non-renewed rate /issued LEIs	29.0%	17.4%	23.5%	29.8%	32.9%	33.9%	36.0%	38.6%	37.5%	35.48%
Non-renewed rate /active LEIs						35.3%	37.6%	40.6%	40.0%	38.27%
Relationship Data										
Number of Immediate & Ultimate LEI Parent Records	n/a	88,198	152,318	208,139	230,755	264,013	414,253	506336	564,259	627,583
Number of Unique LEIs Reporting both Parent Relationships	n/a	51,944	89,826	119,637	132,096	123,079	126,052	124,600	131,004	136,098
Number of Immediate & Ultimate LEI Parent Exception Records	n/a	1,067,968	2,156,909	2,519,418	2,965,315	3,468,286	3,952,830	4,436,755	4,952,638	5,656,761
Number of LEIs with Complete Parent Information (includes those reporting exceptions)	n/a	572,818	1,146,554	1,341,015	1,563,458	1,786,117	2,090,329	2,334,498	2,601,433	2,8952,229

Two of the pillar implementation methods proposed for the G-SIBs by the FSB was implementing the LEI and, with it, creating the mechanisms for aggregating risk across financial institutions and across national regulators. The implementation of this later mechanism, for risk data aggregation and risk reporting known as the BCBS 239 regulation, initially expected to be fully implemented by 2016. The most recent report on progress reveals only two out of 31 G-SIBs were fully compliant with all principles. No single principle has been fully implemented, and regulatory scrutiny is intensifying with potential for significant penalties, primarily in Europe.

European regulators and the financial institutions they oversee stand out as being the most advanced in supporting these key implementations, mandating LEI use by declaring no transactions can be undertaken without an LEI, requiring the renewal of lapsed LEIs and requiring parent-child LEIs be designated, while allowing for exceptions. In this regard, the EU countries have registered 66% of all LEIs. In contrast, the US has been slow to advance their early advocacy for the LEI, and slow to embrace data standards in general.

The most promising US data standards legislation, the Financial Data Transparency Act (FDTA) is mired in controversy. What was thought to be the solution to conforming financial regulatory reporting by agreeing on two data standards, one for financial product identity and one for business identity has been stalled. There is no controversy as to using the LEI as the business identity

standard although small entities, municipalities in particular, have asked for relief to use their existing identifiers due to major technology overhauls required and costs to do so.

The product identifier, initially chosen to be Bloomberg's FIGI, has been met with fierce backlash by CUSIP users, CUSIP being the product identifier currently in use by almost all financial institutions and their regulators. In addition, CUSIP is in litigation with a few industry members over licensing fees that would have a material impact on cost of use of CUSIPs.

A note on the use of the LEI beyond financial institutions is a new identifier, the Altana ID. This business identifier, defined by its use of AI for global supply chain identification, entered into competition for a business identification standard for the US's Customs and Border Protection. Competitors include the LEI, Dun & Bradstreet's DUNS number and GS1's GLN (Global Location Number). GS1 is the trade organization that issues numbers embedded in barcodes and is also a LOU issuing LEIs. One can expect even more identifiers to be defined as technology innovation accelerates and new demands for speed and accuracy emerge.

To conclude, 2025 continued the meandering toward data standards that has prevailed over the last 50+ years, ever since the first attempts at global identification of financial institutions through SWIFT codes and commercial entities through Barcodes. Now, progress, while appearing robust, might just be a perception hyped by intense marketing by software companies and data distributors that have grown up to support the new era of data standards, all the while still growing revenue from the legacy data standards and distribution ecosystem that still persist.

New data standards institutions, GLEIF and its LOUs, vLEI credentialing entities and Registration Agents; the Derivatives Service Bureau; and multiple Trade Warehouses and Swaps Data Repositories, all stood up after the financial crisis of 2007-8, are also building new revenue streams from financial institutions on top of this existing ecosystem. The promise of a single standard for all was and still is a fantasy, based early on by the idea that if governments mandate change, change will come. In the face of the dawning of a new technology era of real time transacting dominated by AI and Quantum computers there is little time to get data standards and data quality right. These new technologies cannot be optimized without it!

Recommendations for 2026.

The LEI has drifted far afield from its original financial industry systemic risk management objective. The G20 and its Financial Stability Board gave GLEIF a mandate within the context of the global financial crisis: assign a unique code and relate each code within its organizational hierarchy so that risk can be aggregated up through and across global financial institutions. GLEIF has now become the champion for identifying entities involved in all manner of trade and digital commerce, perhaps needing a new mission to sustain itself when the realization of its original mandate was impossible to fulfill.

This mission appears foolish at best and, worse, a waste of money to support yet another bureaucratic industry infrastructure paid for by financial institutions. In the Customs and Border Protection test for selection of a business identifier, the 3 million LEIs now registered after over a decade pale in comparison to an already dominate 600 million DUNS numbers, the 2 million

businesses that GS1 supports, each of which can issue on its own up to 100,000 GLNs, and the 500 million Altana IDs that is in their data base.

Rather than detract from its still unaccomplished original mission, GLEIF should focus on the basics of solving the data quality issues and non-verified parent relationship LEIs so that the LEI meets its original mandate of better risk management in the financial industry. A doable mission would be to focus solely on the 30 globally systemically important financial institutions (SIFIs) and the 100 domestic SIFIs, where systemic risk resides and where there is still lot's left to do.

For Further Information



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