

Recommendation No 1/2022
of the financial market supervision units of Národná banka Slovenska
of 9 May 2022
adopting Guidelines on the use of Legal Entity Identifier (LEI) for
insurance and reinsurance undertakings, for branches of foreign insurance and
reinsurance undertakings, and for supplementary pension management companies

In this recommendation, Národná banka Slovenska (“NBS”) adopts the Guidelines on the use of Legal Entity Identifier (LEI) issued by the European Insurance and Occupational Pensions Authority (“EIOPA”) under number EIOPA-BoS-2021/456.

Article I

Introduction

- (1) The guidelines address the need to use a Legal Entity Identifier (LEI) and identify the legal entities that should have a LEI.
- (2) The guidelines in this recommendation have been revised and this update repeals the original Guidelines on the use of Legal Entity Identifier issued by the European Insurance and Occupational Pensions Authority under number EIOPA-BoS-14-026, which are replaced by the new guidelines EIOPA-BoS-2021/456 to facilitate and further promote the use of LEI as a unique identification code for legal entities subject to supervision.
- (3) The aim of these guidelines is to continue the establishment of consistent, efficient and effective supervisory practices by harmonising the identification of legal entities in order to ensure high quality, reliable and comparable data, which contributes to:
 - a) better oversight of financial institutions as well as improved regulatory policies and decision-making processes,
 - b) identifying, assessing, monitoring and reporting risks to the financial stability of the European insurance and occupational pension sectors,
 - c) overall support for EIOPA’s work on crisis prevention, financial stability, oversight, policy and consumer protection.
- (4) The LEI rules allow for unambiguous identification of the given legal entities, avoiding the inconsistency and ambiguity of identifying them by national codes or by their name. This categorisation improves the quality and timeliness of aggregated data at EU level, and ultimately reduces the reporting burden for reporting entities with cross-border operations.
- (5) Individual legal entities using shared LEI codes to collect and disseminate data will also facilitate connections between different databases and other sources of information that are available at the national and international level.

- (6) Considering the benefits of LEI, legal entities having their head office in the European Economic Area referred to in these Guidelines are encouraged to request a LEI for their branches established in a third country and for the third-country legal entities and non-regulated undertakings which are part of the group as defined in Article 212(1)(c) of Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (“Solvency II Directive”)
- (7) The guidelines set out in this recommendation apply to legal entities under the supervision of Národná banka Slovenska.
- (8) Further information about LEI can found at www.leiroc.org.
- (9) If not defined in these guidelines, terms have the meaning defined in the Solvency II Directive and Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (“IORP II Directive”) and Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution.

For the purposes of these guidelines, the following definitions apply:

- a) LEI – the Legal Entity Identifier (LEI) is a 20-character alpha-numeric code based on the ISO 17442 standard developed by the International Organization for Standardization (“ISO”). It connects to key reference information that enables clear and unique identification of legal entities participating in financial transactions. Every Legal Entity Identifier contains information about the entity’s ownership structure.
- b) GLEIF– the Global Legal Entity Identifier Foundation (GLEIF) was established by the Financial Stability Board in June 2014 and is tasked with supporting the implementation and use of LEI. The foundation is overseen by the LEI Regulatory Oversight Committee and acts as an operational arm of the Global LEI System. GLEIF is a supranational not-for-profit organisation with its headquarters in Basel, Switzerland.
- c) GLEIS – the Global LEI System, which operates in three tiers: LEI Regulatory Oversight Committee (LEI ROC), GLEIF and Local Operating Units (LOUs).
- d) The Financial Stability Board (FSB) and the Group of Twenty (G20) have endorsed LEI, GLEIF and GLEIS.
- e) LEI ROC – the Regulatory Oversight Committee (ROC) is a group of 69 public authorities with full membership and 19 observers from more than 50 countries. It was established in January 2013 to coordinate and oversee a worldwide framework of legal entity identification, the Global LEI System.
- f) LEI issuers – i.e., Local Operating Units (LOUs) that issue LEI codes. LOUs are the utilities endorsed by the Regulatory Oversight Committee (ROC), or accredited by the GLEIF under ROC oversight, to provide LEI registrations to registrants and other services. LOUs supply registration, renewal and other services, and also provide consultation for legal entities wishing to obtain an LEI.

Article II

Guidelines

Guideline No. 1 – Scope of legal entities

Národná banka Slovenska will require that the following legal entities under its supervisory remit have a LEI:

a) legal entities within the scope of the Solvency II Directive:

- insurance and reinsurance undertakings; branches established in the European Economic Area (EEA) and belonging to an insurance or reinsurance undertaking with its head office in the EEA may use the LEI of the insurance and reinsurance undertaking;
- the ultimate parent undertaking as defined in Article 215 of the Solvency II Directive and undertakings, except non-EEA undertakings and non-regulated undertakings, included in the scope of a group as defined in Article 212(1)(c) of the Solvency II Directive;
- mixed-activity insurance holding companies;
- branches established in the EEA and belonging to an insurance or reinsurance undertaking with its head office in a third country;

b) supplementary pension management companies as institutions for occupational retirement provisions (IORPs) registered or authorised in accordance with the IORP II Directive, including supplementary pension funds managed by a supplementary pension management company, satisfying one of the following conditions:

- a balance sheet total of more than one billion Euros; or
- a balance sheet total of more than one hundred million and less than one billion Euros and it is ranked as one of the five biggest IORPs in terms of balance sheet totals in the Member State.

Guideline No. 2 - Provision of information to EIOPA

Národná banka Slovenska will require that non-aggregated information provided to Národná banka Slovenska and EIOPA concerning legal entities, or groups of legal entities, under their supervisory remit contains the LEI required in accordance with these guidelines.

Národná banka Slovenska will require that legal entities use LEI to identify information provided to Národná banka Slovenska and EIOPA concerning branches established in a third country and belonging to an insurance or reinsurance undertaking with its head office situated within the EEA.

Article III

Effect

This Recommendation takes effect on 1 July 2022

On the entry into force of this recommendation, the following documents will cease to apply:
Recommendation No 2/2014 of the financial market supervision units of Národná banka Slovenska of 15 December 2014 on the use of the Legal Entity Identifier (LEI) for insurance and reinsurance companies and for branches of foreign insurance and reinsurance companies and
Recommendation No 3/2014 of the financial market supervision units of Národná banka Slovenska of 15 December 2014 on the use of the Legal Entity Identifier (LEI) for institutions for occupational retirement provisions (IORPs)

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