
TAQANU – FORGEROCK RESEARCH

A description of the use case

Our mission is to bring banking for everyone in need, by creating a recognised identity to use for financial inclusion. We reach our goal by creating a KYC (Know Your Customer) alternative, not based on your passport but on who you are, providing the targeted financial inclusion that immigrants, refugees and others, require in order to build a better future. The solution will be available through a mobile application, since mobile penetration is high in this sector of the population. By using digital tools (mobile application) we can augment current offline frontline services (for example by replacing paper forms by digital forms, and providing facial recognition as a replacement and office appointment.) The system has a strong built-in user acquisition factor that replicates how mutual key signing works in a Web of Trust. The minimum required information and validation are set by the agreement with the Government.

Strengths and weaknesses of the current way(s) of doing things

The current Know Your Customer (KYC) - the regulation that requires financial institutions to verify the identity of their clients - is based on a very rigorous set of regulations that has the side effect of excluding billions of people from accessing even simple forms of banking. The regulations demanding a government issued physical ID (Passport, ID) that must be stored by the institution to have the opportunity to cross reference their customers while in many cases it requires human interactions. This solution provides a secured system where most customers are similarly vetted against the requirements, however as regulations only provide general references there are various understanding of the same regulation, most institutions take KYC very strictly while some offer an easier access and is less interested in the personal information of their customer. The information about customers are saved in centralized databases that has been developed with a very high level of security for the purpose of the institution, however the constant maintenance and upgrade of the system requires significant investment.

Strengths and weaknesses of the new way of doing things

Taqanu will use attestations to build a peer-to-peer network of trust and then use the network validated identity to onboard clients into a simple banking service. Due to the immutability of the blockchain, so if a transaction is on the chain, an entity verifying that data can be absolutely sure that the provided data is correct, and not tampered with. At the created solution the end nodes (customers) will be known parties, however the number of falsified accounts could create unexpected issues, as the required initial information is kept at a low level. To prevent these acts of money laundering the system introduces sequenced access to services, where the limits will be in correlation to the verifiable data.