

# Introduction

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## Decentralized Identity for the Crypto Economy

Verite presents an open, shared, interoperable architecture for identity and trust in the global crypto financial ecosystem. It unites several identity standards to enable scalable, reliable, privacy-preserving ways to leverage identity and to ensure regulatory compliance when engaging in blockchain and smart contract activity.

Technical barriers have challenged progress on identity protocols throughout the history of the internet, but these barriers have diminished through technical advancements in cryptography and blockchains which deliver new trust and transaction architectures. Verite's collection of decentralized identity protocols have become possible and practical.

Misaligned incentives and entrenched business models have also hindered progress on identity standards. But now strong economic incentives exist: powerful new markets built on blockchains enable everyone around the world to connect, transact, invest, and generally engage in a shared global economy. But unlike the internet of content, global finance is heavily regulated to protect consumers and prevent financial crime, and any identity model must also enable individuals and institutions to comply accordingly.

These three forces -- new technologies for cryptographic trust and transactions, high-value market opportunities and the prospect of increased global financial inclusion, and the need for identity solutions to mitigate risk and meet regulatory compliance requirements -- accelerate progress toward decentralized identity standards for the next era of internet applications.

## Identity Problems

Web identity models typically involve centralized services and silos in which private identity data is tracked, often bought and sold, breached or otherwise exposed, and generally managed outside of the control of the individuals who own those identities.

Such centralized web identity models also prove a particularly poor fit for decentralized blockchains, which to varying degrees are designed to enable trust while avoiding sensitive personal data exposure.

But the absence of an identity model poses its own problems and stunts the growth of crypto finance: it prevents broader commercial and institutional adoption, blocks key use cases and market opportunities, and risks legal non-compliance. Addressing these issues requires a new privacy-preserving decentralized identity model.

## The Verite Solution

Verite is a set of free open source decentralized identity protocols and data models to facilitate interoperability between Verite products present and future. These protocols allow people and institutions to cryptographically prove claims about their identities, and allow services to attest to those claims, while avoiding exposure of sensitive data. For example, an individual might prove KYC, credit, insurance, accredited investor status, or similar identity claims to an application or smart contract while preserving privacy.

Unlike centralized identity architectures, Verite's decentralized approach enables people and institutions to control how their identity data is accessed and avoids the sensitivity of identity data being used to justify vendor lock-in or "toll-roads". Verite is not a token and requires no specific blockchain, but functions across many major blockchain and wallet ecosystems, never storing ANY sensitive or de-anonymizing data on-chain.

Verite empowers developers, financial institutions, regulators, and individuals with an open, free, interoperable identity model for decentralized finance. Interoperability ensures that applications, services, wallets, and smart contracts can interact with one another following a shared set of standard rules and interfaces.

## How to Use this Site

The following articles, tutorials, and accompanying source code are illustrative and educational, primarily intended for review by developers of Verite-compatible and/or Verite-reliant systems. Because verifiable credentials are not yet a standard or uniform component of crypto wallets and other web3 identity systems, there is extra attention and explanation given to integrating those capabilities into various contemporary architectures and data flows. See, in particular, the "Entry-Points" section for high-level overviews tailored to dapps looking to solve their identity problems by relying on Verite products, "identity providers" (knowers of their customers) looking to add value to their customers with Verite portability, and crypto wallets looking to connect the two. Updated 4 months ago \* [Table of Contents](#) \* \* [Decentralized Identity for the Crypto Economy](#) \* \* [Identity Problems](#) \* \* [The Verite Solution](#) \* \* [How to Use this Site](#)