

Identity-Based Routing

Where Next?

Now we can route to a MOSIP-based digital identity,
where does this lead us in the coming months?



Identities: Terminology

- A "human" -> Natural Entity
 - Identity number -> Natural Entity Identifier, NEI
 - A MOSIP Token is an example (though this is simplistic, because of privacy)
- An organization (company, government, NGO, corporation etc) -> Legal Entity
 - Identity number -> Legal Entity Identifier, LEI
 - 20 character alphanumeric
 - Many variations; but in 2014 the FSB (part of BIS) established GLEIF to support the implementation and use of the LEI
 - Initially only in the financial sector, increasingly for payments

Immediate Roadmap Influences

- Synergies between the interscheme/multi-scheme and merchant payments workstreams
 - Routing to a merchant ID in a cross-border transaction, using (say) a country or scheme ID as part of the merchant ID
- Merchant ID is an identifier for a legal entity (the merchant)
 - Look at LEIs as an identifier
 - GLEIF has an API-based LEI lookup -> country, name
 - Could do our own: LEI -> country, merchant ID

Merchant Registration

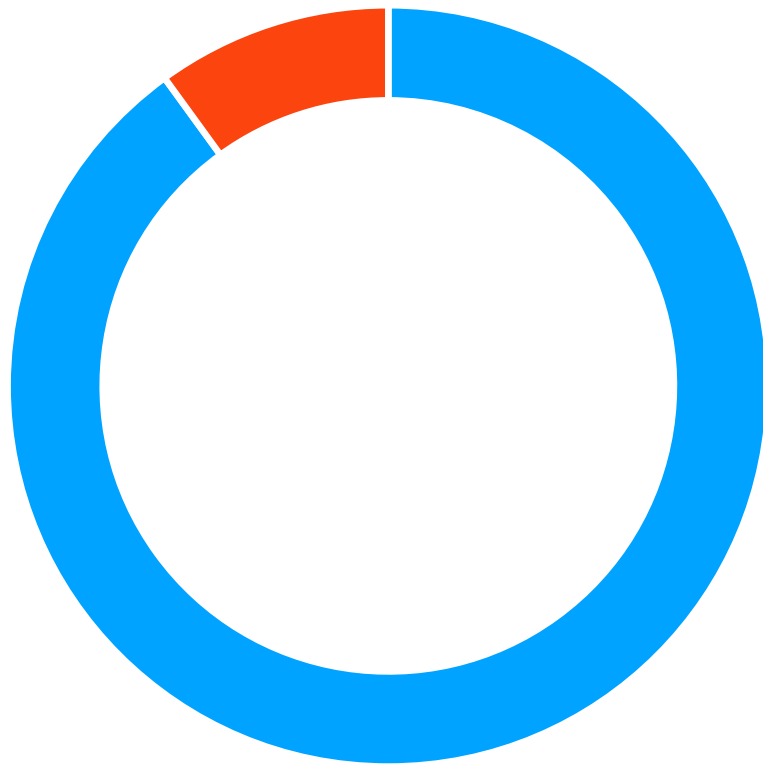
- Enhance to capture LEIs during merchant registration
 - Even to register for LEIs (as an LEI Validation Agent, not a registrar)
 - Maybe for a portion of the fee!
 - (Currently developing process flows for validation with GLEIF)
- Does not/cannot replace the merchant ID
 - LEI could be used in QR codes as the merchant ID
 - LEI not suitable for USSD

Tier 4 Merchants/MSMEs

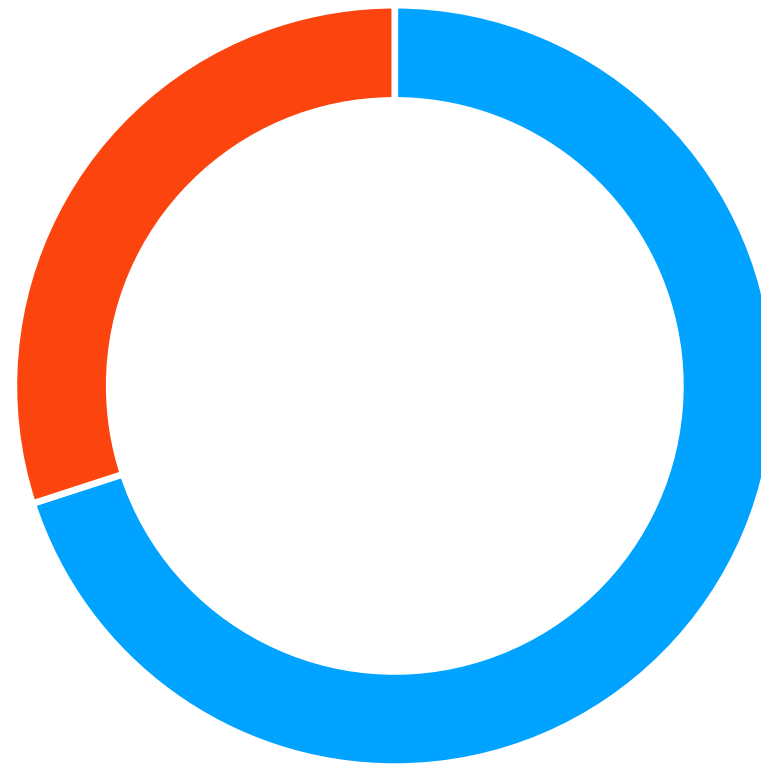
- Market traders, micro SMEs are never going to register for an LEI
 - Cost, tax etc
- Can continue to use merchant IDs
 - But there is an opportunity to build on our MOSIP work to allow them to use NEIs for routing
 - Strengthen our regulatory/AML credentials
 - Particularly important for cross-border transactions

Tier 4 Merchants – Why Bother?

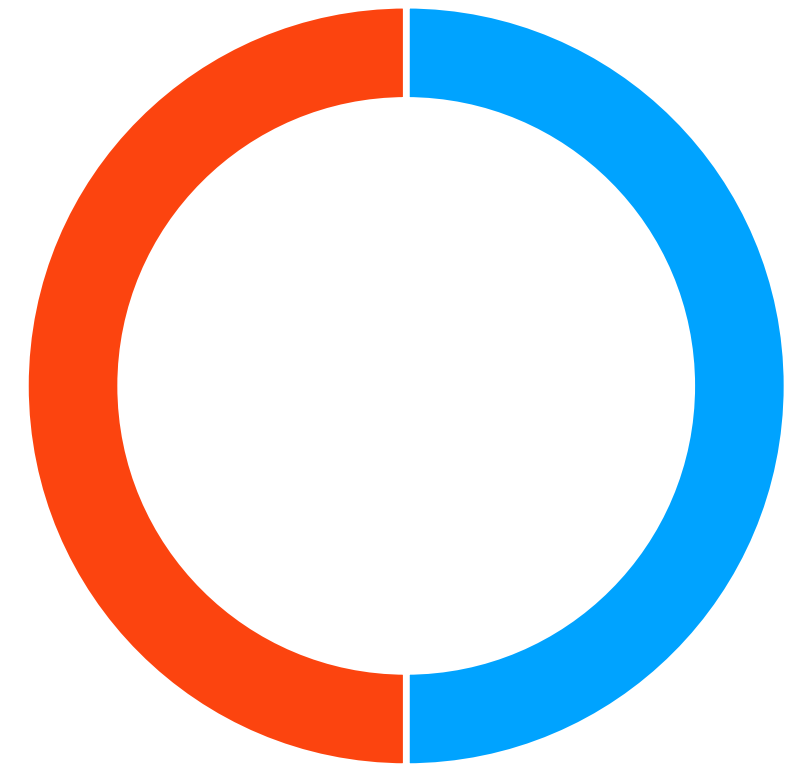
90% of all firms



70% of workforce



50% of GDP



Challenges

- Think about the implications for discovery and payments routing
 - Interscheme WS
 - FX WS
- Integration of merchant registration with LEI Registrars' processes
 - Merchant payments WS



Thank you!