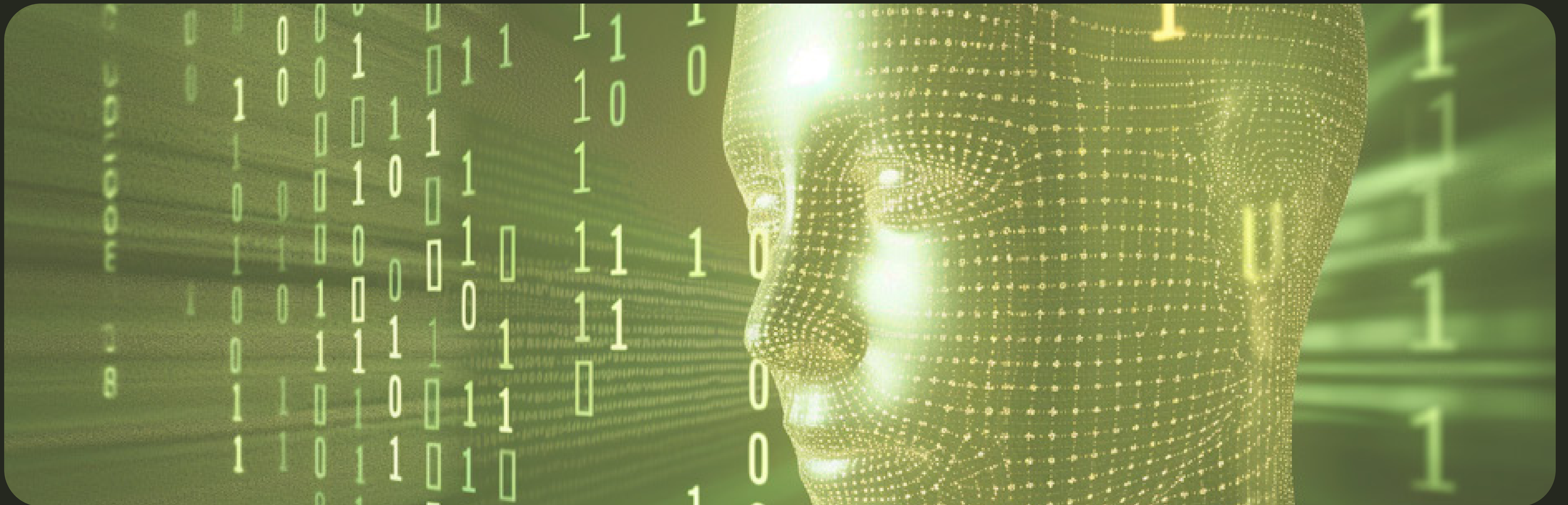Governance Begins with Identity:

Exploring DAO Models with ERC-725/735 Identity Layers

Summary

Most DAO structures today suffer from :

1. Sybil attacks

2. Shallow Voting Participation

3. Poor reputation systems

Without a reliable identity framework, DAO governance remains vulnerable and often dominated by whales or spam.

This paper investigates how integrating **ERC-725 (identity key-value) and ERC-735 (claim registry)** into DAO logic can **enable reputation-based voting, role delegation, contributor proofing, and fraud mitigation.**

Identity in DAO:
The Missing Layer

DAOs typically treat every wallet as equal, but not every wallet represents a human, contributor, or expert. Identity-aware governance allows:

Weighted Voting	Contributor Verification	Role-based Participation
based on proven reputation	based on proven reputation	across DAO workstreams

Proposed DAO Identity Architecture

Component	Role
ERC-725 Identity Object	Stores metadata (role, join date, participation tier)
ERC-735 Claim Layer	Verifies claims (e.g., "voted in 5 proposals", "moderator for 3 months")
Soulbound ID NFTs	Represent non-transferable DAO roles or memberships
Reputation Oracle	Calculates scores based on verifiable on-chain activity

Benefits for DAO Operations

Sybil-Resistant Voting

One person = one verified ID = weighted participation

Contributor Funding DAO

Only wallets with verified contributor roles can submit/request funds

Moderation + Access Control

DAO tooling unlocks or gates permissions based on verified role NFTs

DAO-to-DAO Diplomacy

Identity NFTs allow reputation bridging between DAOs

Implementation Challenges

Challenge	Solution
Privacy of identity data	Use selective encryption + zero knowledge
Claim authenticity	Use DAO-trusted verifiers & claim registries
Onboarding friction	Gamify identity setup via minting ceremonies

iBLOOMING
Case Insight

The iBLOOMING ecosystem has initiated early-stage integration of identity logic via loyalty and profile NFTs.

By evolving these into **ERC-725/735 compliant NFTs**, iBLOOMING could become a blueprint for **educational DAOs** with structured governance and verifiable credentials.

Decentralized governance requires **more than tokens**

it requires *identity and reputation*

ERC-725 and ERC-735 offer a foundational layer for DAOs to govern more
wisely, include more fairly, and evolve more securely.