# 2019-05-29-Notes

Meetings 12 noon EDT (16:00 UTC May 29) and 9 pm EDT (01:00 UTC May 30)

Meeting at 12 noon EDT

- Vipin Bharathan - dlt.nyc
- Drummond Reed - Evernym, Sovrin etc.
- Axel - Redhat
- Steve Magennis
- Anton Khvorov
- Jim Mason
- Kamlesh Nagware
- Luca Boldrin
- Sid
- Stephane Mouy
- Moushmi Banerjee
- Ram Jagadeesan

Audio

Video

Drummond presented his view of IIW and of Consensys

Look at slides for greater detail.

The ledger Independent portion was demoed by ION (bitcoin) and Element (Ethereum) implementations of the sidetree protocol

IPFS or some other means to store the Merkletree of the ID state changes grouped into a batch, upto 10,000 or so transactions in a tree.

The Merkle root of that tree is in turn anchored on the BTC Blockchain

Transmute created Element (to do the same with Ethereum)

How do we pay for this? Not clear, individual payments will be small

Cost will be borne by MS for the initial ION, there will be a way to bear the cost later.

Layer 2 is where most of the action is.

Moushmi asked what is a did:peer method. Is based on direct exchange of credentials

Then Drummond presented the layers of the DID stack, saying that Aries represents the 2nd and 3rd layers.

The Lowest layer is the blockchain

Luca asked, if A2A and sidetree are where stuff is going, doesn't the ledger lose its focus?

Drummond answered: public DiDs for the issuers have to be discoverable and accessible - ledger is needed for that

Also to house schemas for credentials and revocation

Steve Magennis asked about Enterprise

Drummond said that BC.Gov https://iiw.vonx.io showed how Enterprise could function with credentials in many different contexts

We also spoke about the governance framework. Compliance framework as a service from Jim Mason (DMX)

Stephane Mouy spoke about the yearly conference in Vienna by FATF, the last one was two weeks ago.

FATF is the international body dealing with AML/terrorist financing/CDD and its recommendations are updated and then percolated to many regulatory agencies in the respective countries.

Tension between promoters of digital assets and Regulators (they were two different species of animal)

There were two aspects digital assets and digital identity

Digital Identity, you cannot implement the guidance around digital assets without this.

How do we conduct AML in a fully digital context for digital assets

Need a risk based approach (higher risk for higher valued transactions)

No way to escape liability even if you used a service provider

Suspicious activity thresholds were around $1000 per transfer (they might be looking at aggregate transfers in a short period of time)

Stephane sent around two links:

 One on virtual assets and another on last year's recommendations.

http://www.fatf-gafi.org/publications/fatfrecommendations/documents/regulation-virtual-assets-interpretive-note.html

http://www.fatf-gafi.org/publications/fatfrecommendations/documents/fatf-recommendations.html


Also a PDF file that is attached on Digital Identity.

2019 FATF PSCF DIGITAL ID.pdf