

Company Passport

PROJECT SUMMARY



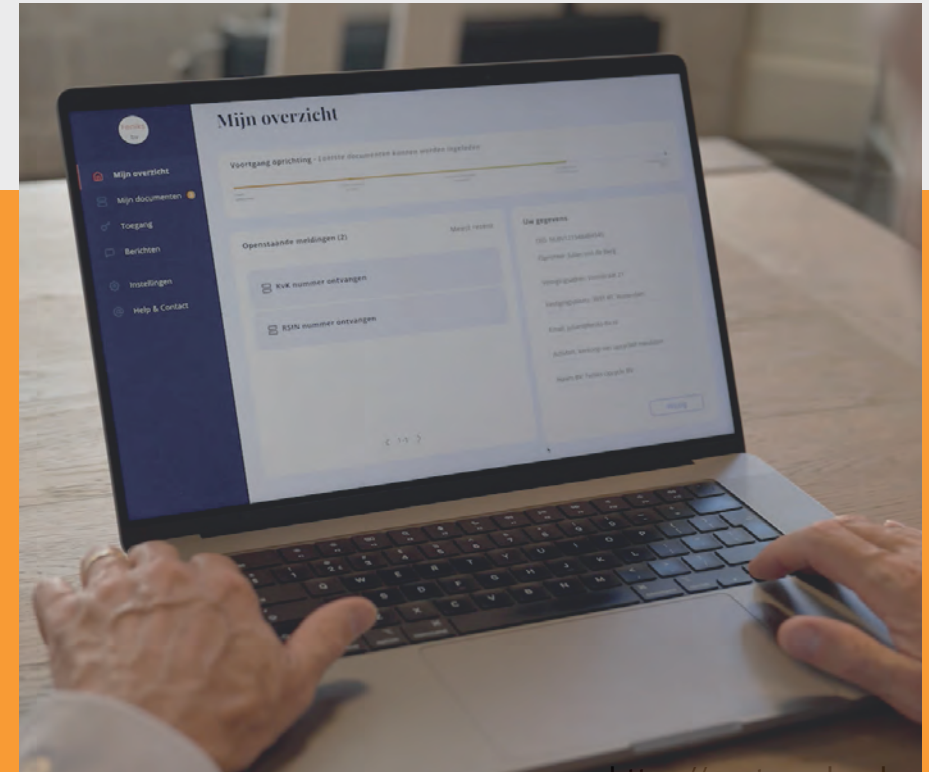
COMPANY PASSPORT

In 2021 ABN AMRO, the Chamber of Commerce, the Dutch Tax Administration and the Royal Dutch Notary Association joined the initiative “Company Passport”, guided by the Dutch Blockchain Coalition. The Company Passport initiative researches how to leverage eIDAS to enable safe and seamless trade with other businesses, consumers and interaction with public parties.

CONTACT

Email: info@dutchblockchaincoalition.org

Web: www.dutchblockchaincoalition.org



PROJECT Summary

Company Passport

Findings from an exploration towards a digital identity for legal entities in relation to eIDAS 2.0

About the Company Passport

The goal of the Company Passport is to simplify the process of founding a company and trade with other organisations while guaranteeing (legal) certainty by further digitizing the processes, making use of Self Sovereign Identity and trust services embedded in eIDAS.



What actually is the Company Passport?

There is a growing need among entrepreneurs, as well as government and public organisations, to be able to identify themselves and each other (individuals or companies) seamlessly and with greater certainty cross-border. Moreover, processes in service provision can be optimized and automated, providing a chance to enhance collaboration among various parties in the chain. This desire for convenience and the need for certainty has led to the creation of the Company Passport.

The Company Passport is a Trust Framework leveraging eIDAS to enable safe and seamless trade with other businesses, consumers and interaction with public parties. The Company Passport Trust Framework provides Trust Services based upon following efforts:

- Established funding model
- Standards, taxonomy
- Technical architecture
- Governance
- Legal framework
- Operational agreements

The Company Passport can facilitate many use-cases in the domain of establishing a company, business interactions and customer due diligence.



Juridical Context

The framework consists of three layers of laws, directives, and regulations. Starting from Europe, then The Netherlands as a member state, and finally the layer specific to the application of the Company Passport. The following infographic shows these three layers and a listing of the specific items in them.

While there has been an extensive inventory, a deep dive in the specific (member state and application level) laws and regulations is still needed. With several European and member state level laws coming into effect, there will probably be details to be worked out and discrepancies to be resolved.

In regards to the GDPR and Dutch (U)AVG the Trust Framework Company Passport is neither a processor or controller. The process guidance system will, most likely, not process any personal information data – however a more detailed investigation is needed.

The added value for companies

The value of the Company Passport for companies is significant and can be roughly divided into 4 categories: higher efficiency, improved customer journey, reduced risks, and a positive social impact.

processes, both public (such as taxes) and private (such as creating a debtor and assigning trade credit), can be performed more efficiently.

Reduced Costs

Utilizing the Company Passport will help a company in daily operations with other organisations and will result in cost savings. Companies currently submit costly and time-consuming paper documents to receive services, which the receiving party must manually process and enter into their system. Attestations automate the verification and data entry process, resulting in less administration as well as cost savings from automatic compliance checks and reduced manual processing.



Efficiency

- Single issuing of data
- Fast sharing of data/ verifiers: ease of use
- Faster lead times
- Fewer mistakes in process
- Less ambiguous demands



Reduced Costs

- Who asks pays
- Less costs/ more efficiency through time savings: less administration/ search time/ checks and repetitive work



Reduced Risks

- Attestations are validated and actual
- Privacy by Design
- Probative value (e.g., proofing 'VAT status 'Active')
- Compliance by Design
- Secure information transfer
- Less faulty data
- Secure information transfer



Social Impact

- Sustainable: 1 x delivery of digital document
- Mastering your own data: more control and independence
- Transparency: who, what, when

Expected benefits of the Company Passport

There are roughly three roles associated with the digital identities, which therefore also apply to the Company Passport. These include the issuers, relying parties and users. Examples of issuing parties are the Tax Authority, the Notary, and the Chamber of Commerce. Examples of relying parties are banks, retailers, consumers, etc. A party may assume multiple roles, depending on the use-case at hand.

Different participating parties have expressed expectations about the Company Passport. These expectations vary depending on the role they play in relation to the Company Passport.

Efficiency

Business data sharing still largely occurs through mail and email. In some industries, the fax has been eliminated, but these methods of sharing data still poses information security and privacy risks. Therefore, companies often fall back to inefficient paper-based processes if security is an issue. The Company Passport can significantly reduce, if not completely eliminate, the need for paper-based transactions. By digitizing and unlocking data in a wallet in one place, various

Reduced Risks

In 2021, the fraud help desk received 73 reports of bogus invoices and 402 reports of identity fraud involving legal entities. The actual number of bogus invoices is unknown as most cases probably go unnoticed. In addition, cases have been registered involving acquisition fraud (729 reports), CEO fraud (288 reports), domain name fraud (153 reports), phishing (246 reports), and fake emails (153 reports). The Company Passport makes it easier to access data about a business, the person acting on behalf of the business, and other data such as the financial health of a business. This makes it possible to engage in transactions with greater (legal and financial) certainty.

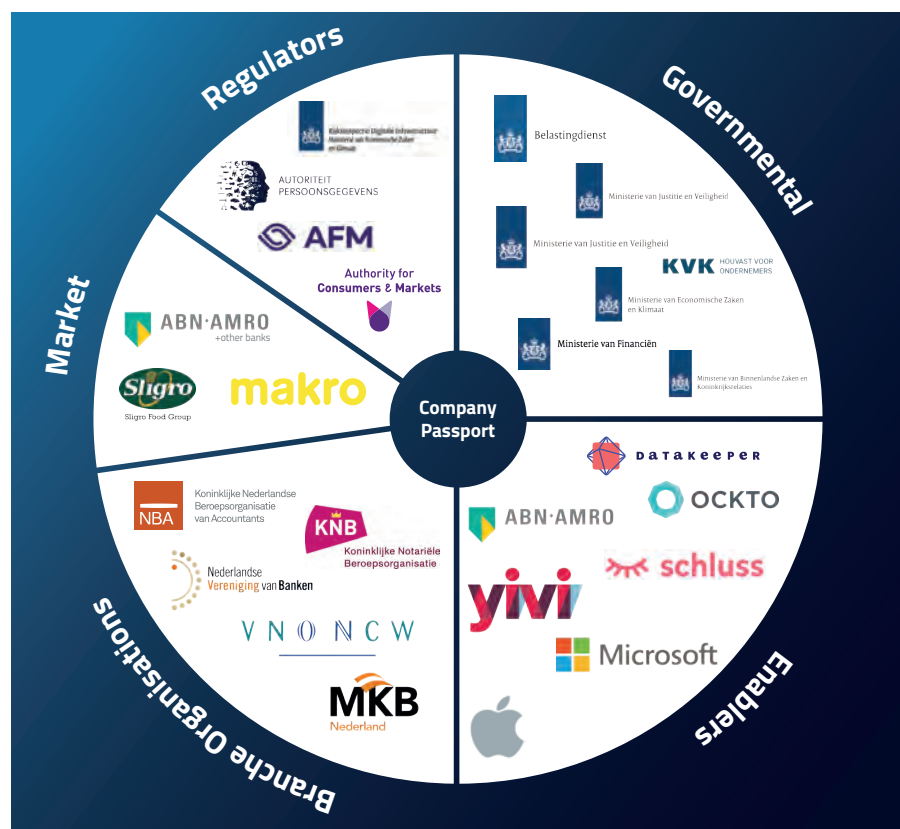
Social Impact

By digitizing processes or digitally supporting them through data exchange using the Company Passport, it is possible to provide more transparency about processes, such as which data is used for what, the status of an application, and which data is returned.

Conditions and breeding ground

A legal person (organisation) is essential in many use-cases related to business-to-business, business-to-consumer and even government-to-business and vice versa. A digital identity, if set up right, enables digital trust in regards to the identity of the company or a natural person. E.g., a CEO's signing authority on behalf of the company.

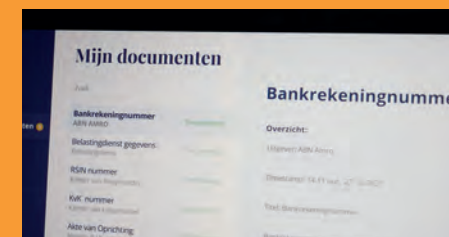
While the potential is enormous, there is need for a governance to set up, maintain and further develop the trust framework. The parties that are to be involved have been inventoried as shown in the figure below.



Trust Framework and wallets

The main purpose of the Trust Framework is to ensure the interoperability and trustworthiness of the elements developed in the Company Passport program. Those are key to enable widespread use and acceptance of the developed elements. Hence the decision of the program to adhere to principles of eIDAS 2.0 and underlying Architecture and Reference Framework. To further enhance the interoperability of the trust framework alignment with the Dutch Decentralised Identity Profile has been made.

eIDAS 2.0 states that a wallet is owned by a person, which in turn can be either a natural- or a legal-person. The general understanding among the program participants is that both types of wallets can be used for commercial use. The most likely scenario is that a distinction will be made between usage by small or medium companies and the larger corporations. In the case of a small or medium company, for most - if not all - use-cases it is sufficient that the directors and employees will use a wallet designed to be used by a natural person to acquire, hold, and present attestations related or on behalf of the company. They can store their company information separate from their personal data, a so-called company profile. Due to the low cost and relative ease of use it will be a favourable solution for them. Large corporations generally require application of complex internal policies and more automated processes, which results in a need for enterprise grade systems. It is expected this can be found in a wallet system for a legal person, a so-called company wallet. Due to the wallet being "owned" by the legal person, it is able to sign documents with an electronic seal instead of the electronic signature of e.g. a director. The company wallet is secured by enterprise Identity and Access Management, which should enable only authorized personnel or systems to sign with the company seal.



The trustworthiness of the shared and received information is established by setting agreements regarding the security, definitions, intended usage, actuality and authenticity of the shared information. This will be achieved within the program by developing data-models, compliance standards, taxonomies etc.

Upcoming phase

This intermediary research report gives an overview of the current point of views. The developments of the European Union, the Dutch EDI-stelsel and of course the Large-Scale Pilots will bring new and additional information that may require to revisit the statements made. In the upcoming stage of this collaborative initiative, a Proof of Concept will be made, followed by the development of a Minimal Viable Product. These steps will expand upon the research agenda and eventually establish the Trust Framework. The initiators actively pursue open communication with the Large-Scale Pilots and the different activities in The Netherlands, while also presenting input and giving feedback based on the findings within the Company Passport initiative.



Deliverables next phase:

Proof of Concept

Based on a 5-day Design Sprint, a fully documented Customer Journey with detailed processes and a blueprint of the technical solution (prototype) has been made. This will now be used as the base for the Proof of Concept, which is expected to finish in 2024.

Minimal Viable Product

Based on a shared taxonomy and defined standards, participants will work towards building a Minimal Viable Product in cooperation with selected tech partners.

Setup of the Trust Framework

Starts with reaching out to relevant networks and obtaining cross-organizational knowledge. The Company Passport initiative will ultimately create a Trust Framework with relevant stakeholders which will be open to all interested participants. The Trust Framework will set the standards and operating guidelines for the Company Passport.

The Public-Private Partnership



ABN AMRO

ABN AMRO is a Dutch bank that provides a range of financial services to individuals, businesses, and institutions. The bank operates domestically and internationally and has a long history dating back to 1824. ABN AMRO is committed to sustainability and reducing its environmental impact.

Dutch Tax Administration

The Dutch Tax Administration (Belastingdienst) operates under the Ministry of Finance and is the government organisation responsible for imposing and collecting taxes on behalf of the state, and implementing various allowances and schemes for Dutch residents.



Belastingdienst



Royal Dutch Notary Association

The Royal Dutch Association of Civil-law Notaries (KNB) is a professional organisation under public law. The main task of the KNB is to ensure the observance of good standards of professional practice by notaries and deputy (civil law) notaries in the Netherlands and to promote their professionalism. All notaries and deputy (civil law) notaries in the Netherlands are members of the KNB.

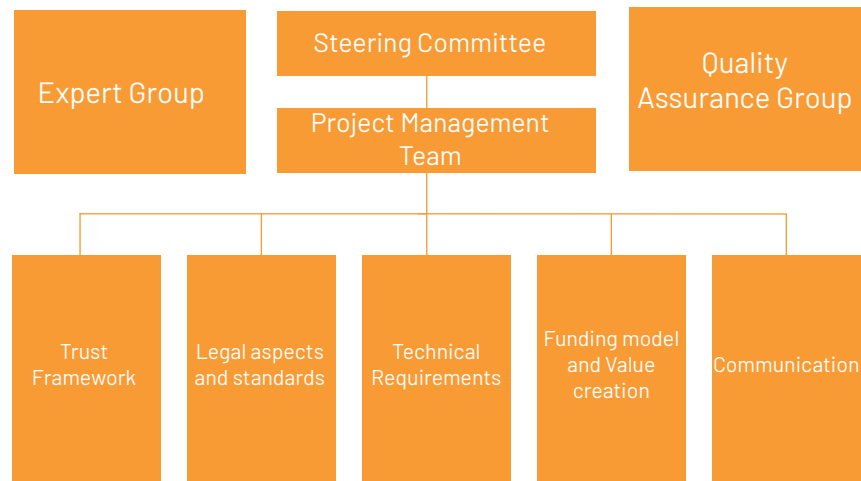
Chamber of Commerce

The Chamber of Commerce (KVK) is an organisation that supports businesses in the Netherlands by providing information, services, and advocacy. It maintains a database of companies registered in the Netherlands and provides resources for starting, growing, and managing a business.



Governance and costs

Project Structure



Financial overview

The Company Passport is an open system, and we warmly invite parties to participate. Partners in the Company Passport contribute €38,000 for their participation in the Steering Group Phase 3A. There are also various other possibilities to participate in the different working groups.

Want more information about the diverse opportunities? Send an email to robertjan.vanpelt@dutchblockchaincoalition.org, and we will get in touch with you quickly!

LET'S COLLABORATE



Robert Jan van Pelt
Program Manager



We are delighted to announce the launch of the first international edition of the Company Passport Project Summary. The interest in our initiative has been growing, not only in the Netherlands but also in the international community. We hope to spread the word about this innovative project to other communities around the globe and ultimately collaborate.

We would like to invite new parties who are interested in working with us to realize this initiative to reach out to us!

CONTACT

Email: robertjan.vanpelt@dutchblockchaincoalition.org

About the Dutch Blockchain Coalition

The Dutch Blockchain Coalition is the place where government, business, and knowledge institutions come together to explore and drive joint scenarios and applications. Together with partners from the business world, government, and knowledge institutions (triple helix), applications of blockchain and other decentralized technologies with societal and economic value are being developed. Thanks to the DBC triple helix collaboration, the development of the decentralized infrastructure within the Netherlands can be accelerated and effectively realized.

The information contained in this brochure is for general guidance purposes only and is not intended to constitute professional advice. The brochure is provided 'as is' without warranty of any kind, express or implied, including but not limited to the accuracy, completeness, reliability, suitability or availability of the information contained herein. We do not accept any responsibility for any loss, damage, or other consequences that may arise from the use of this brochure or the information it contains. Any reliance you place on such information is therefore strictly at your own risk. No rights can be derived from the information in this document. © DBC 2023