

GENERAL ASSEMBLY

July 13-14, 2022

New York, NY



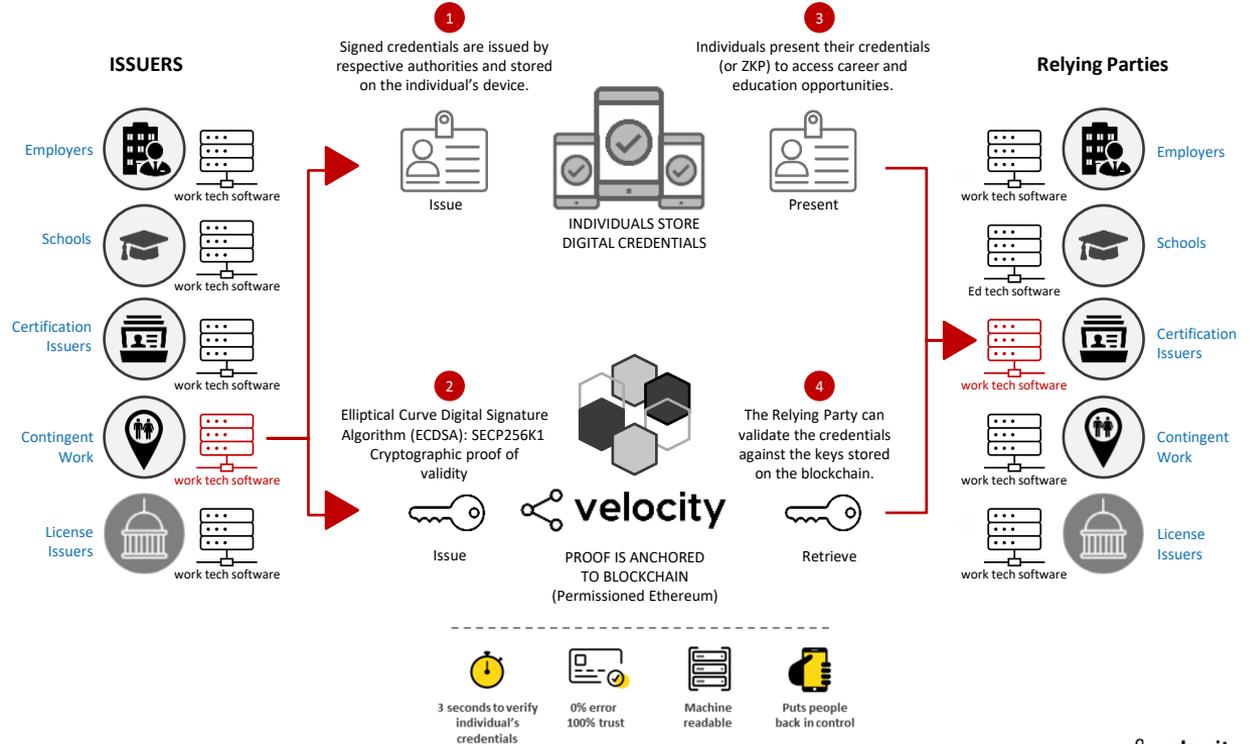
Global Data Interoperability: Making the Future of Work, Work

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Global Interoperability

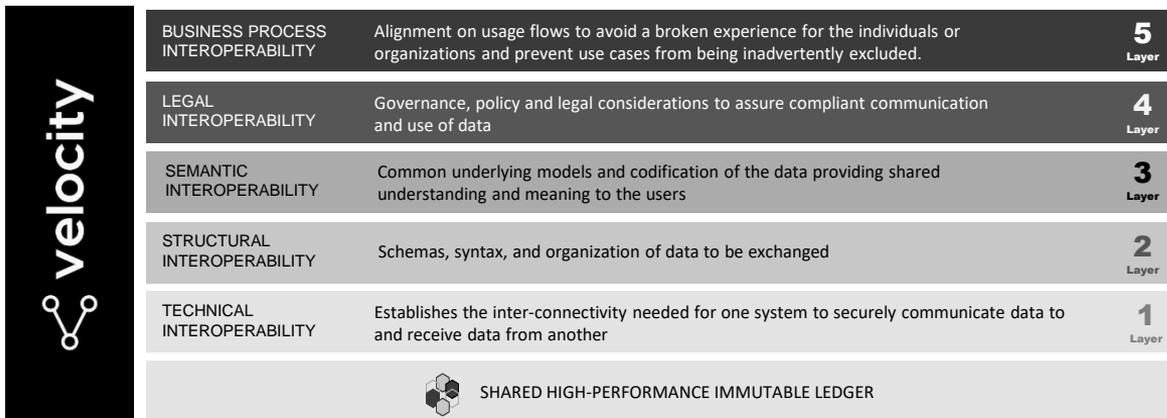
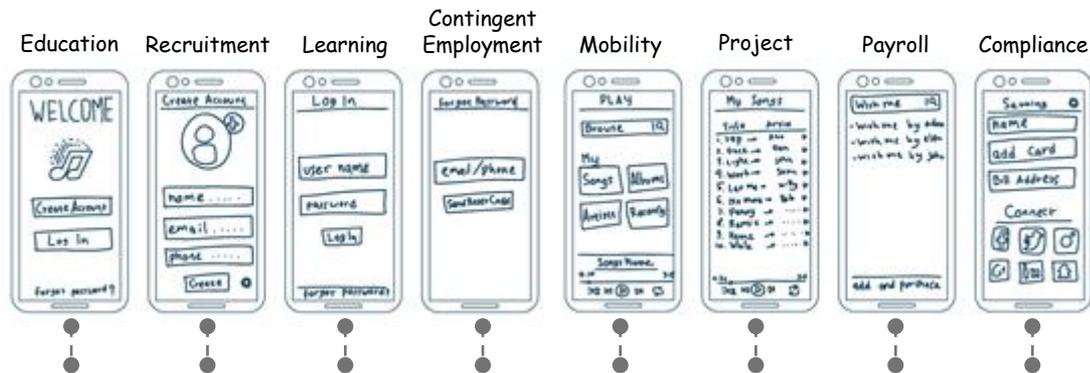
A Quick Refresh on Data Flows

Velocity Network™ is an open-source, blockchain based utility layer, which makes it simple for people and organizations to exchange verifiable, immutable, trusted career credentials.



Enabling data interoperability across the global labor market

Velocity Network™ is a shared, trusted, utility layer that enables data interoperability across the global labor market.

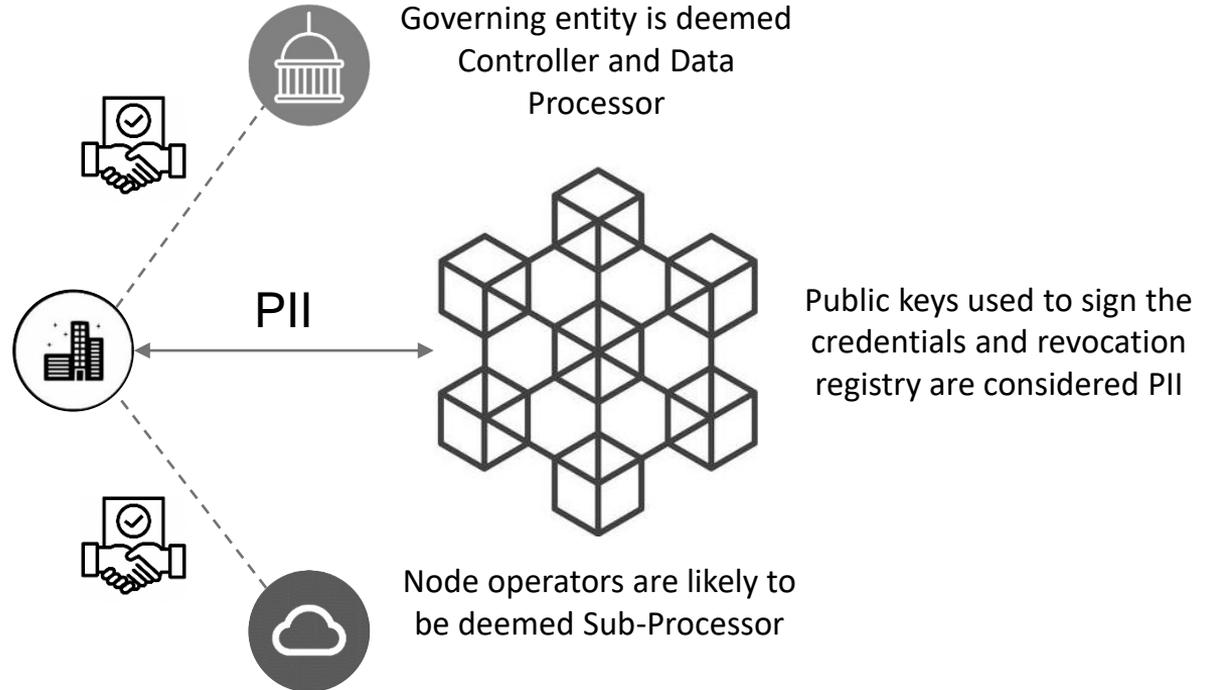


Legal interoperability - Example

Verification use case - GDPR

GDPR requires execution of DPA between **Verifiers** and data processors.

The agreement should also address the issue of transferring data outside the EU.



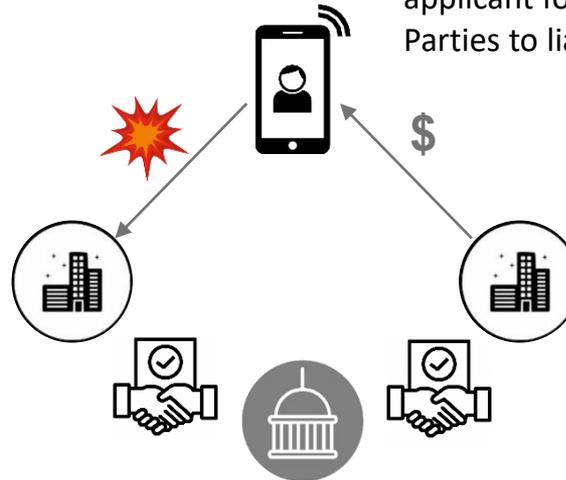
Legal interoperability - Example

Verification use case – Employment laws

US state laws may restrict employers from requiring applicants to pay for application fees or background check fees.

California prohibits imposing any costs on applicants as part of the application process or requiring the use of any particular vendor, even if the services are free of charge to the applicant.

Even if relying parties comply and do not impose using any specific protocol/wallet/blockchain network, in case some of the Credential Issuer charge the applicant for issuing, it exposes the Relying Parties to liability risk.



Business interoperability - Example

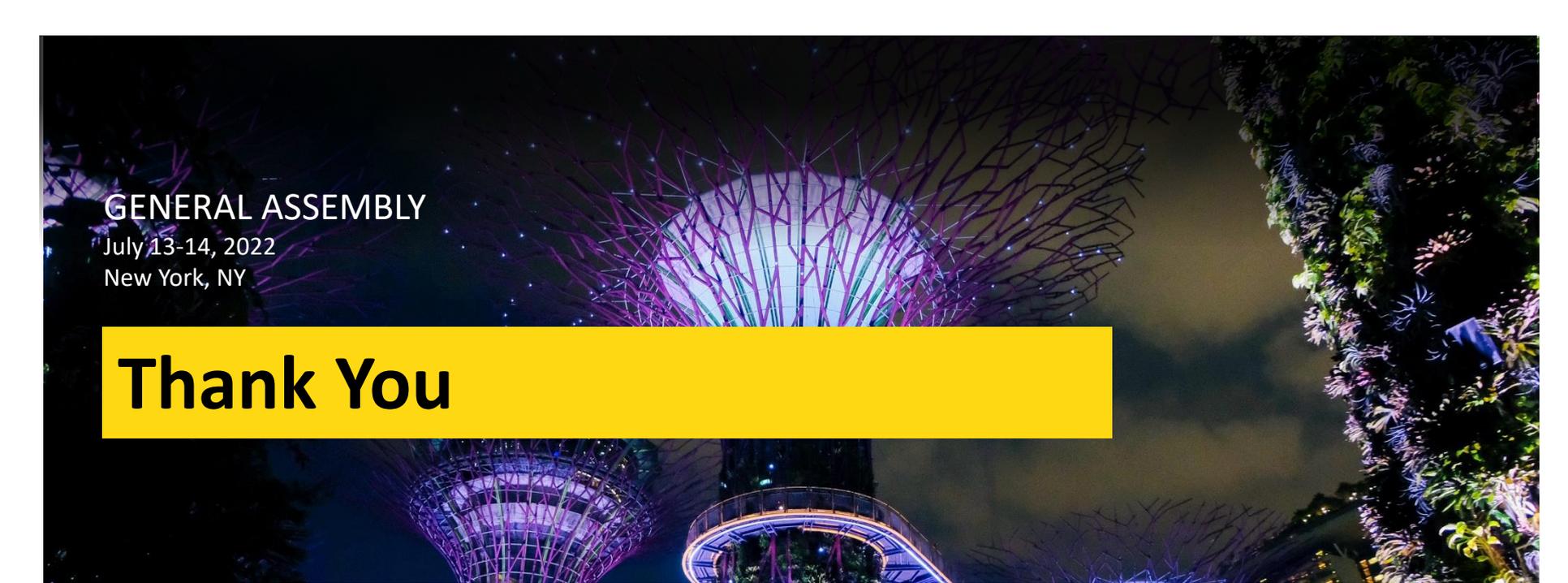
Negligent inclusion of inaccurate Holder data

- Credential offers are based on issuers' records. These records will, in some cases, prove incorrect and lead to misrepresented credentials.
- Regulation (e.g. FCRA, GDPR) require a way for the user to dispute—and have the issuer correct—information in their records that is incomplete or inaccurate, but other jurisdictions do not have this regulation in place.
- Unless there is an obligation for all issuers to maintain such a process there is a big risk that individuals will experience frustrating user experience that will impact global adoption and compromise the integrity of career credentials.
- Also, unless this processed is standardize across different Issuers – unless this sorted out, again, users will experience confusion and bad UX that will impact global adoption.
- There is also the question of what authority enforces issuers' compliance to this processes across different networks, offers arbitration and have the power to enforce resolutions.

Business interoperability - Examples

Business process interoperability is required in order for different entities to efficiently participate in the exchange of VCs they may need to align their business processes or define and establish new ones, to avoid broken participant experiences or even completely exclude certain use cases. Below are a few examples. There are many others.

- **Incentives:** differing incentive systems across networks will lead to broken and confusing participant experience and add friction to a labor market in dire search for efficiencies and work against widespread and scalable adoption.
 - Relying Parties will have to accommodate different payment schemes for verifying a single Holder's credentials
 - Issuers will have to agree to different reward schemes, depending on the holder's associated network
 - Holders will have to accommodate different payment schemes for claiming their credentials, depending on the issuer's associated network
- **KYC and Issuer Authorization:** the trust factor is based on 2 main pillars: the quality and the Holder's KYC and Issuer Authorization. With no central authority to govern and assure the quality of these processes, we can expect:
 - Issuers refusing to issue to holders from other Networks unless provided with adequate proof for KYC quality, to avoid legal risk.
 - Relying Parties' lower level of trust in the quality of issuers' authorization for issuers from other networks, as a consequence verifiers will not trust the credentials issued by these issuers, to an extent that might deflate the entire space.



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Thank You

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