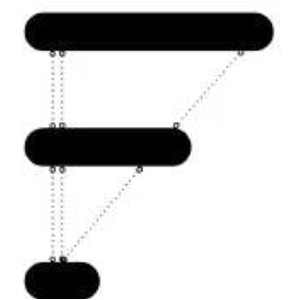


Finternet

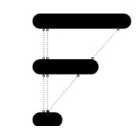
The vision for the future financial system

Nandan Nilekani

28th August, 2024



finternetlab.io



Financial **innovation and inclusion** has progressed around the world

Money

Digital Banking

Open Finance

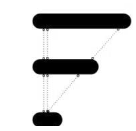
Payments

Exchanges

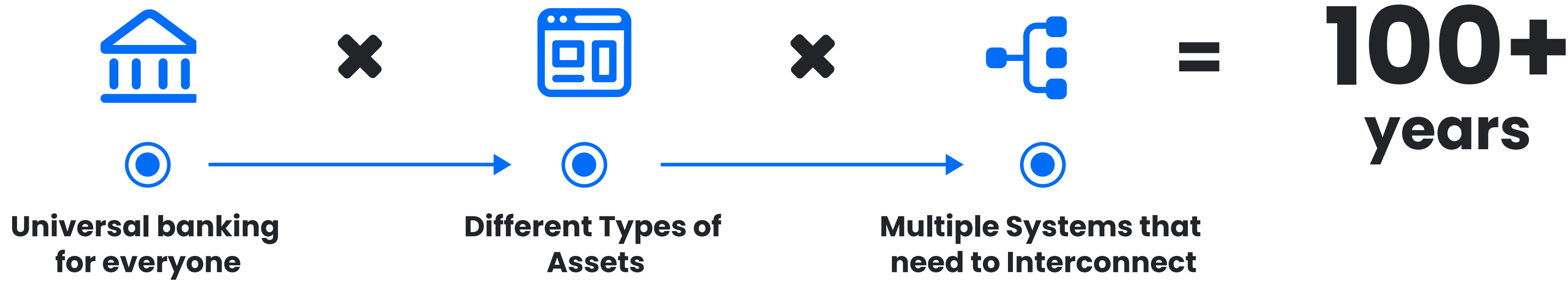
Data Sharing



and many more...



Today, users want more **choice and control** over their financial life

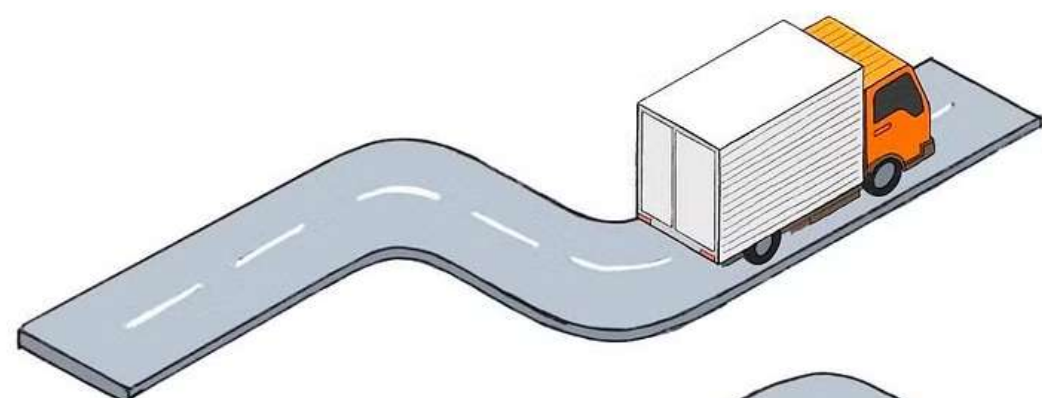


Billions of people are being held back from opportunities



Today's financial infrastructure is **purpose-driven** and struggles to serve society's needs

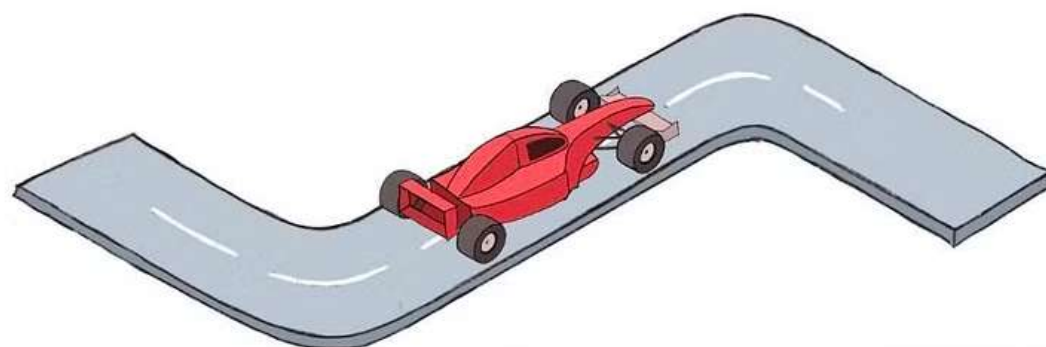
P2M



G2P



P2P



We're building a **new road** for **each** new vehicle!



Siloed



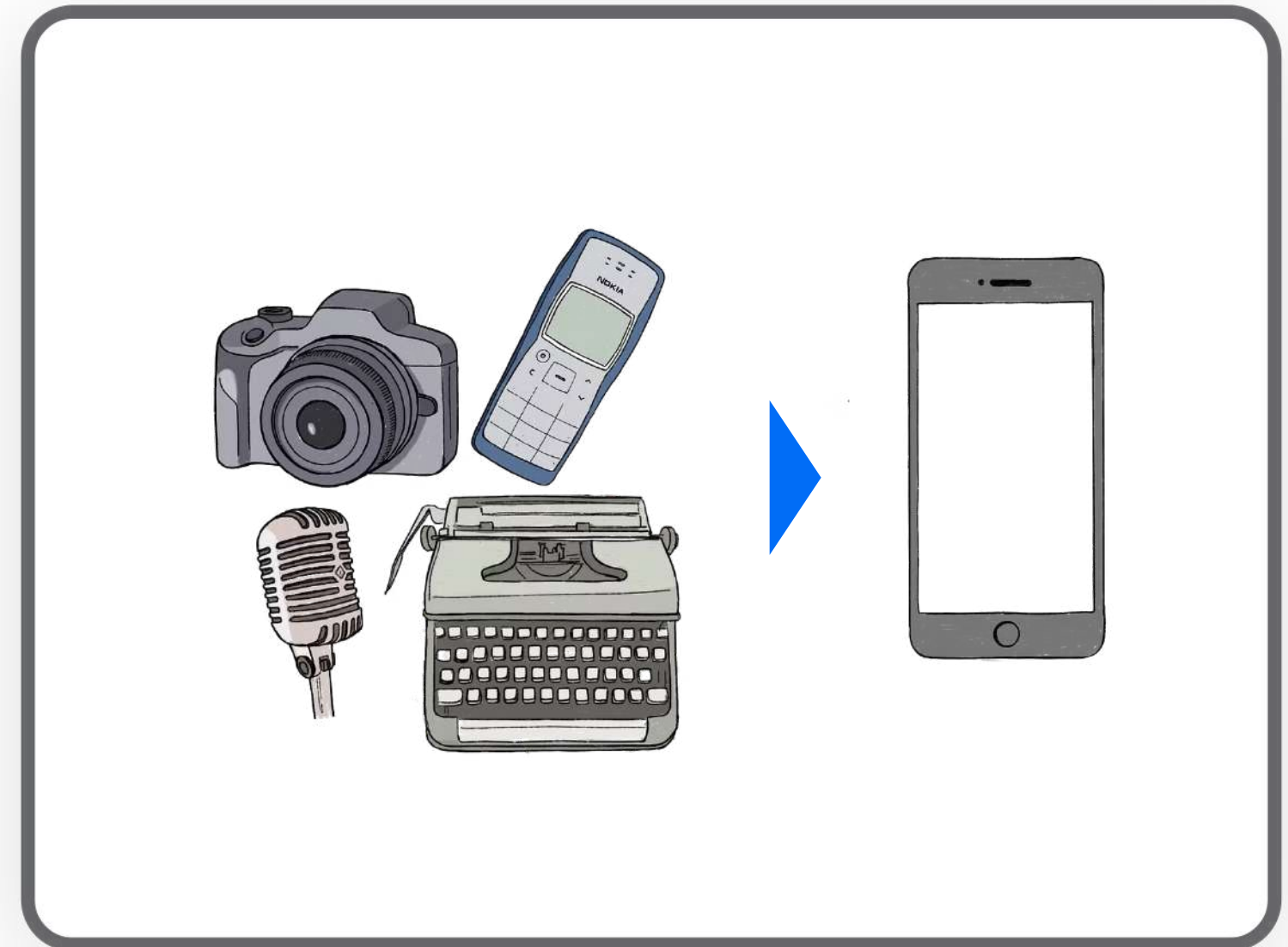
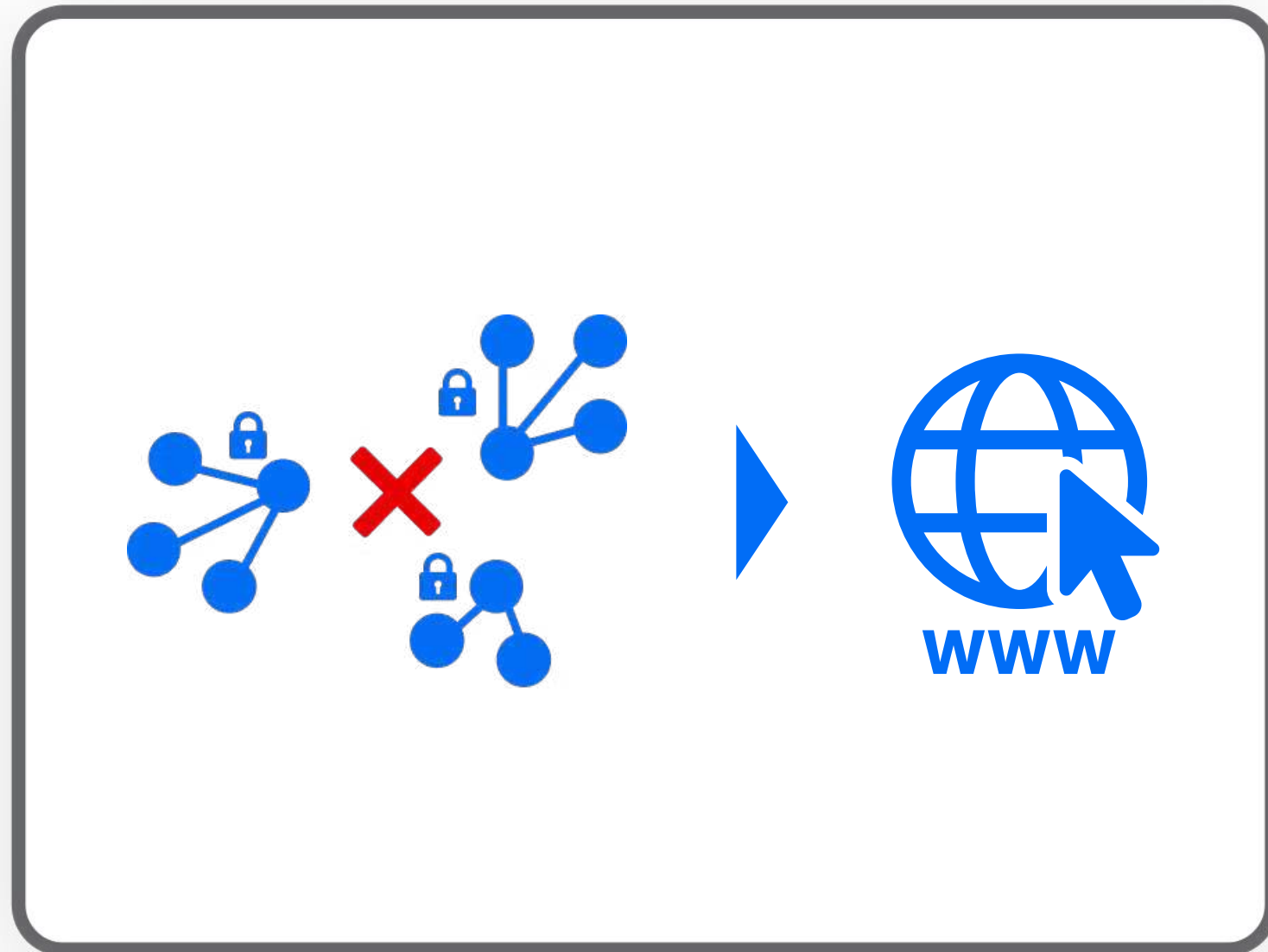
Slow



Expensive

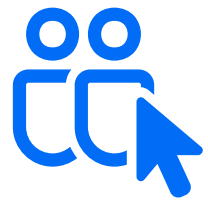


Technology starts purpose-specific, but it eventually **converges** to unlock exponential value



The Finternet is a **user centric, unified, & universal** approach to finance

The **3U's** of Finternet



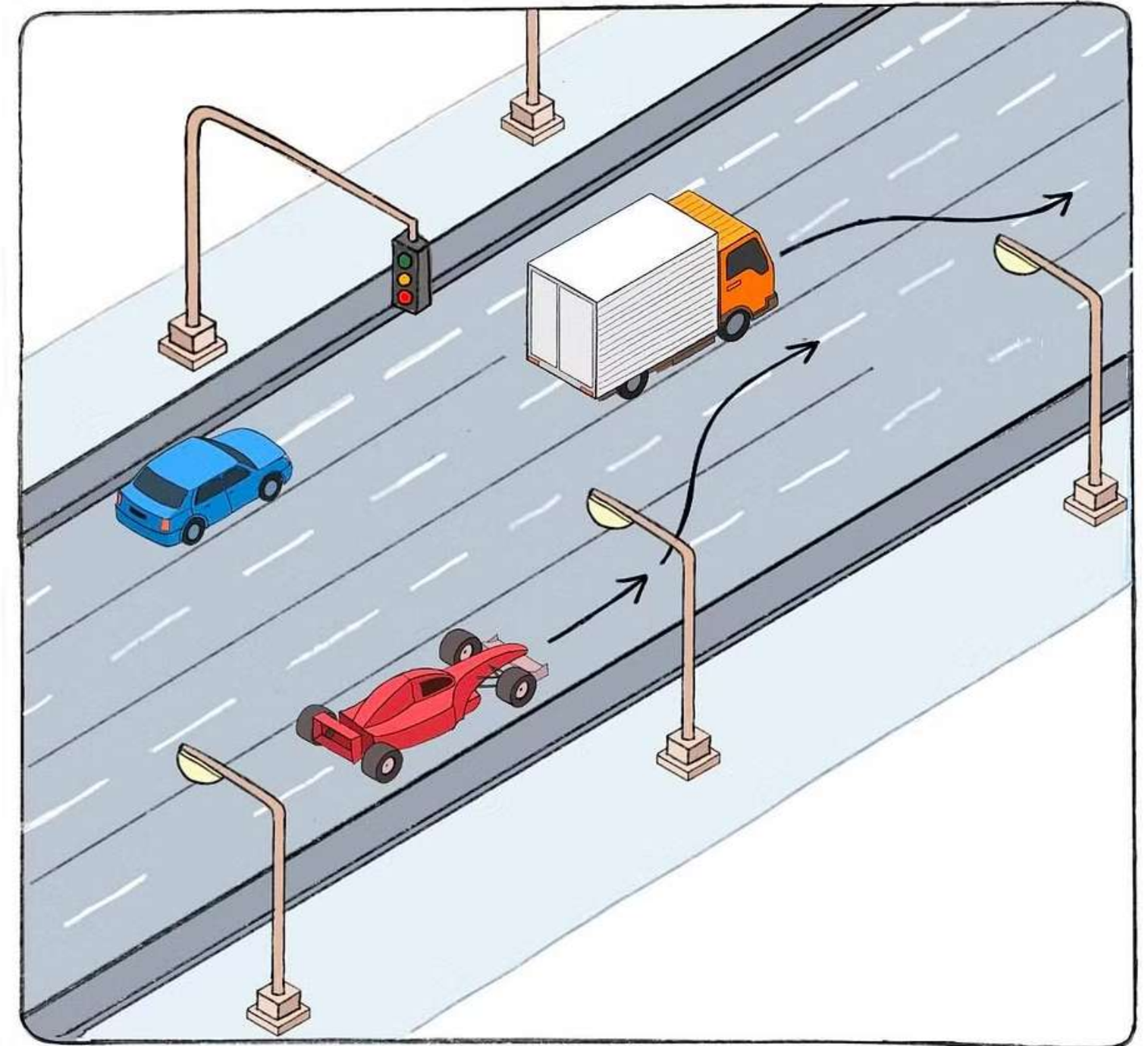
User-Centric



Unified



Universal





Finternet empowers people to participate in the upside of the economy

1

User-Controlled Assets



2

Attested Assets



3

Registered Assets



4

Regulated Assets



And **protect themselves** from downsides



Real World and Digital Assets will be represented as **Tokens**



Tokens are **self-describing** and **self-contained packets** that can be chained together



Tokens are back to the future. Just like paper, digital tokens **restore control** back to users



Cryptographic Advances in **immutability, verifiability, security, and privacy**

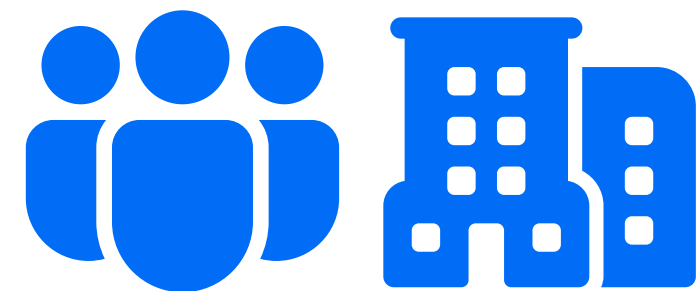


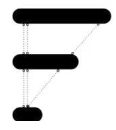
Finternet enables **universal interoperability and composability**

High Level **Architecture** of the Finternet

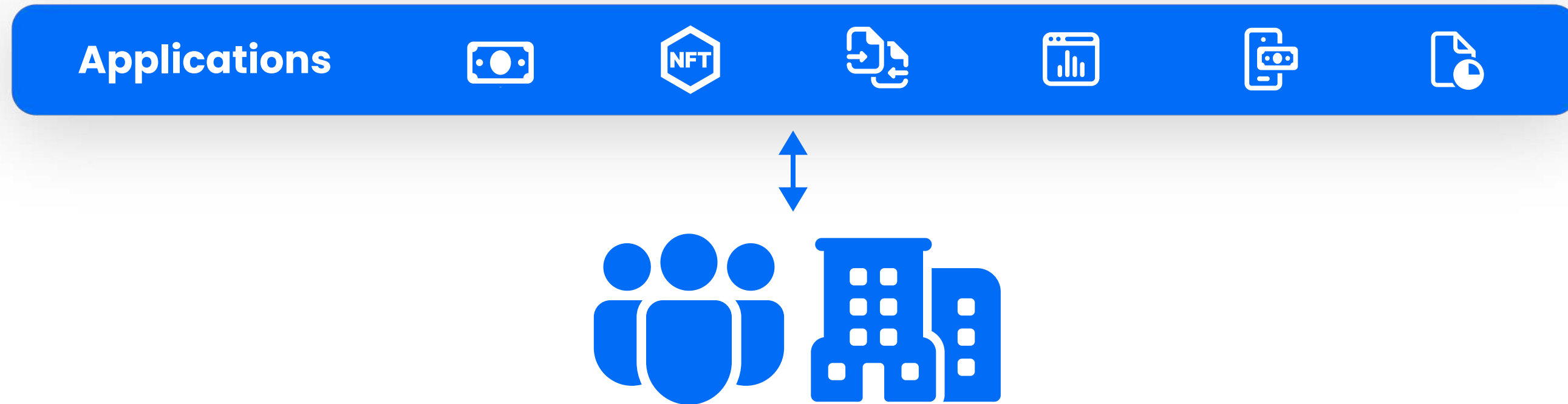


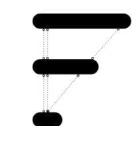
High Level **Architecture** of the Finternet



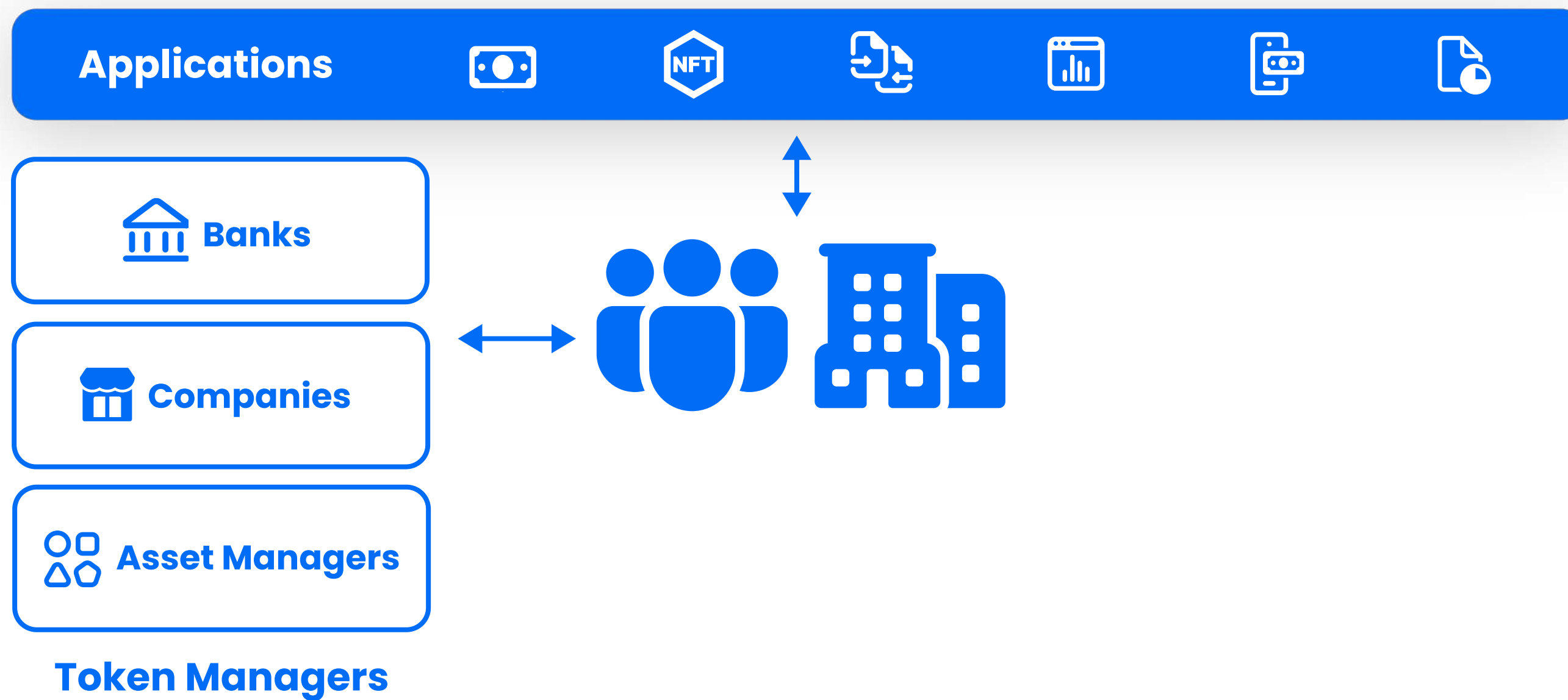


High Level **Architecture** of the Finternet

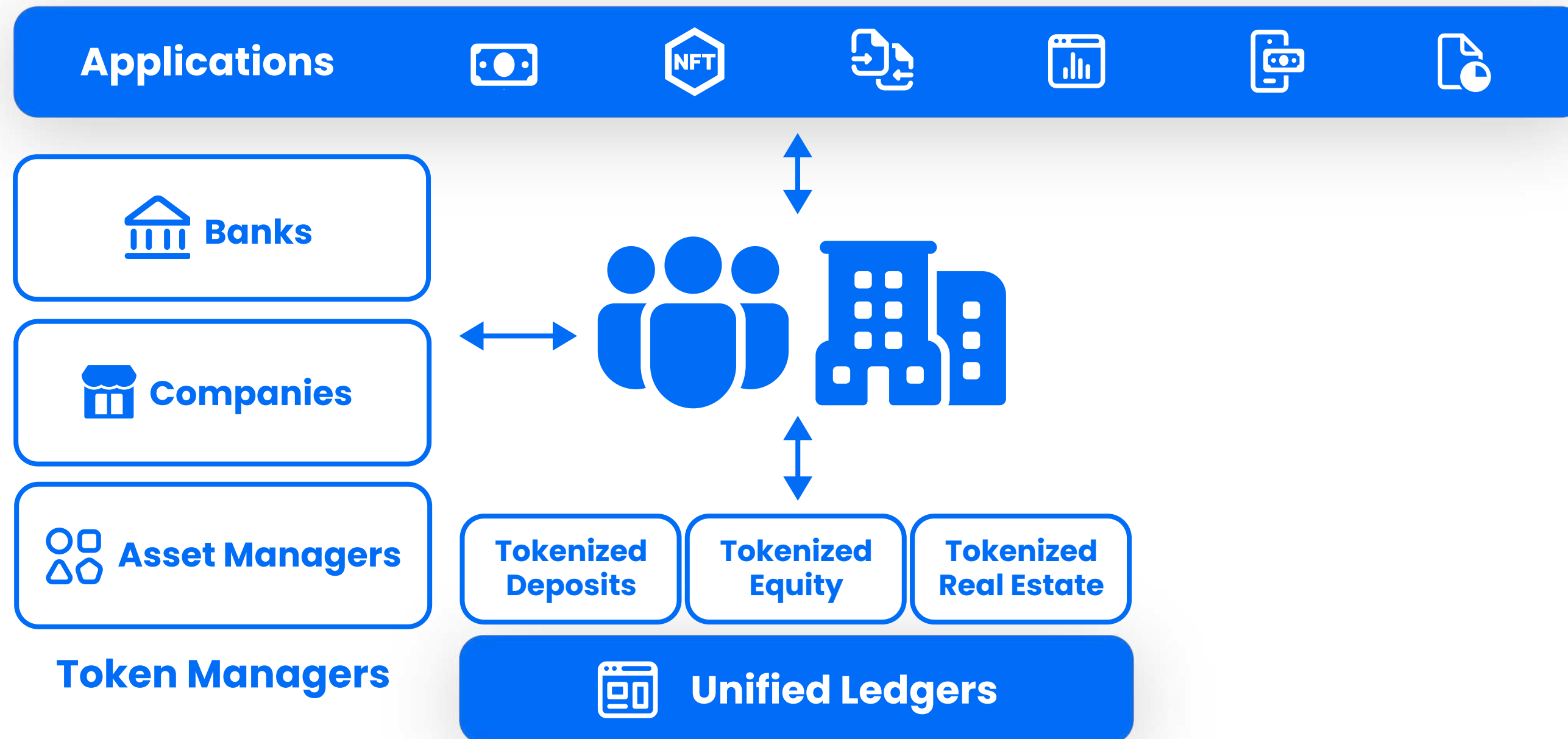




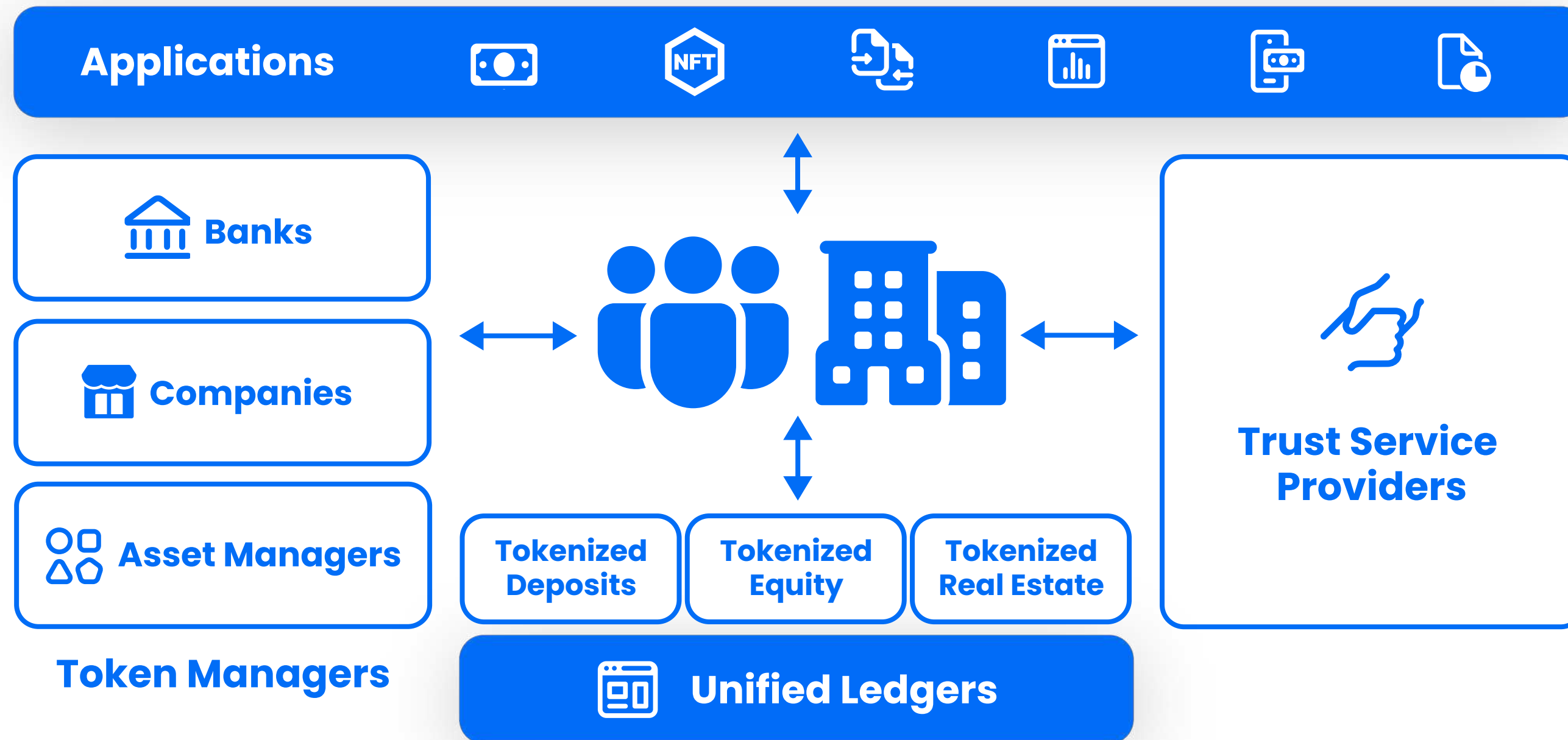
High Level **Architecture** of the Finternet



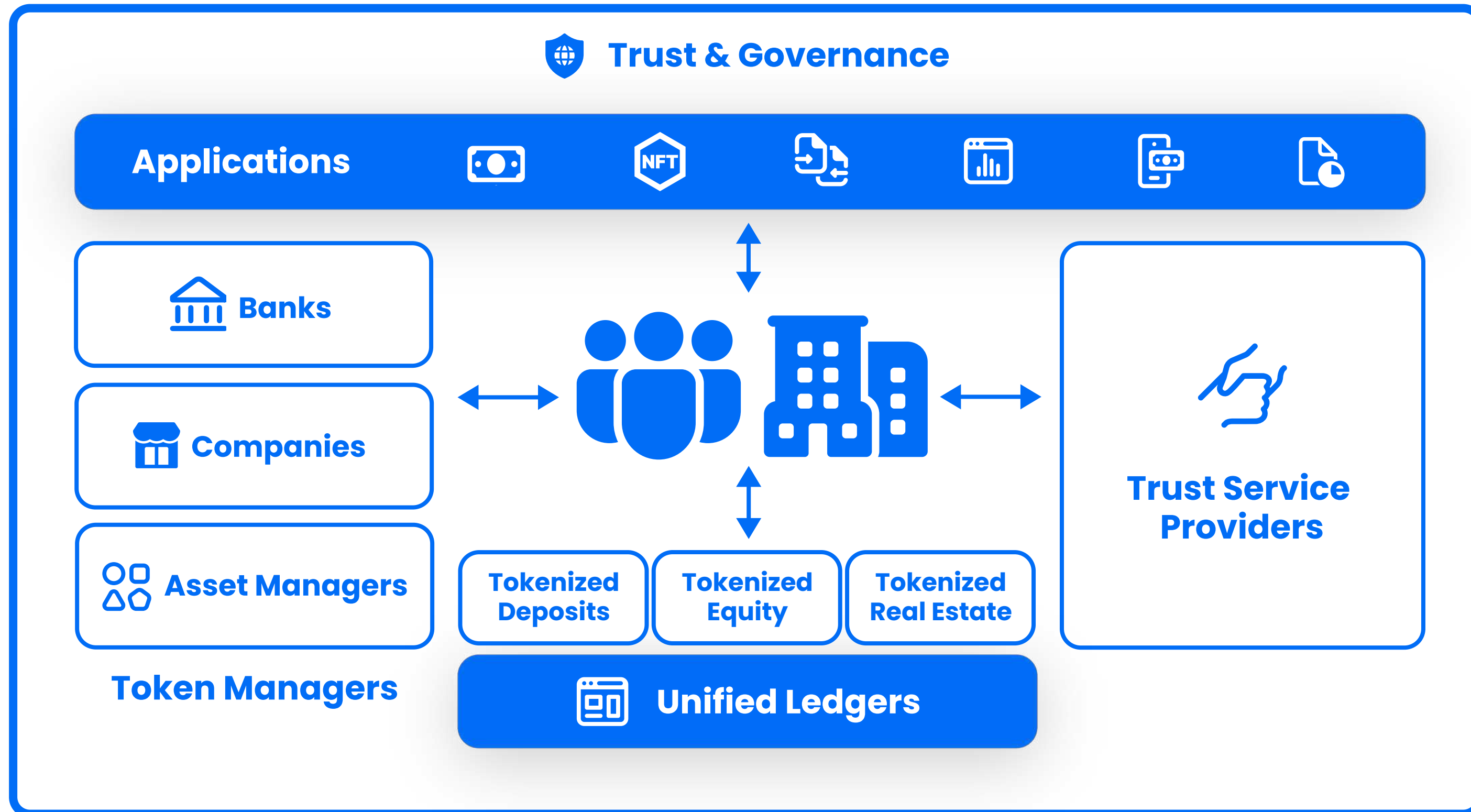
High Level **Architecture** of the Finternet



High Level **Architecture** of the Finternet



High Level **Architecture** of the Finternet



Now, let's imagine **use cases!**



*Maya is a creator
setting up her
new business*



She needs upfront **capital to start**

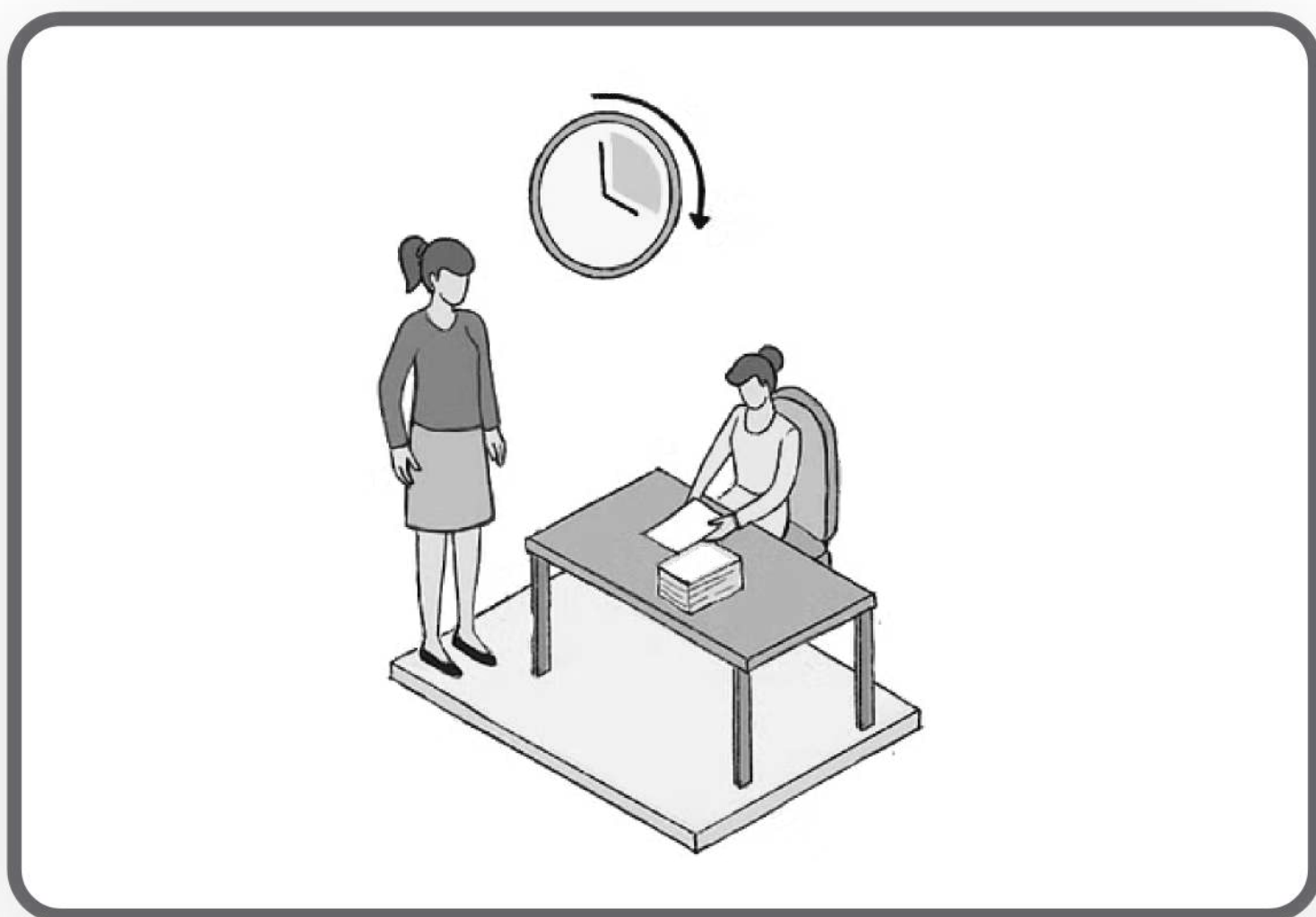


She needs **trade insurance** for de-risking her cash flow

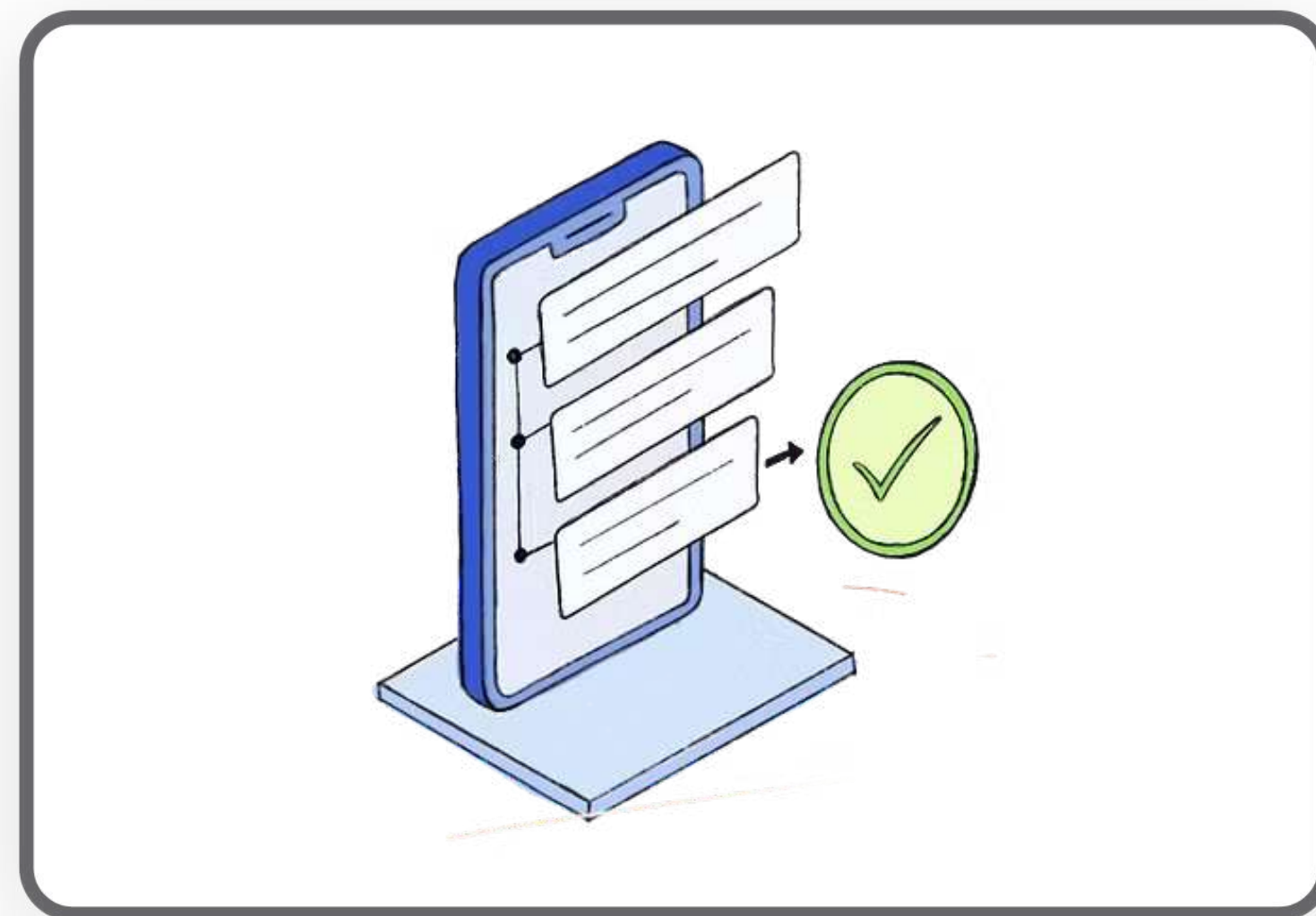


She needs to get **government grants**

Maya applies for **loan against property** to kickstart her business



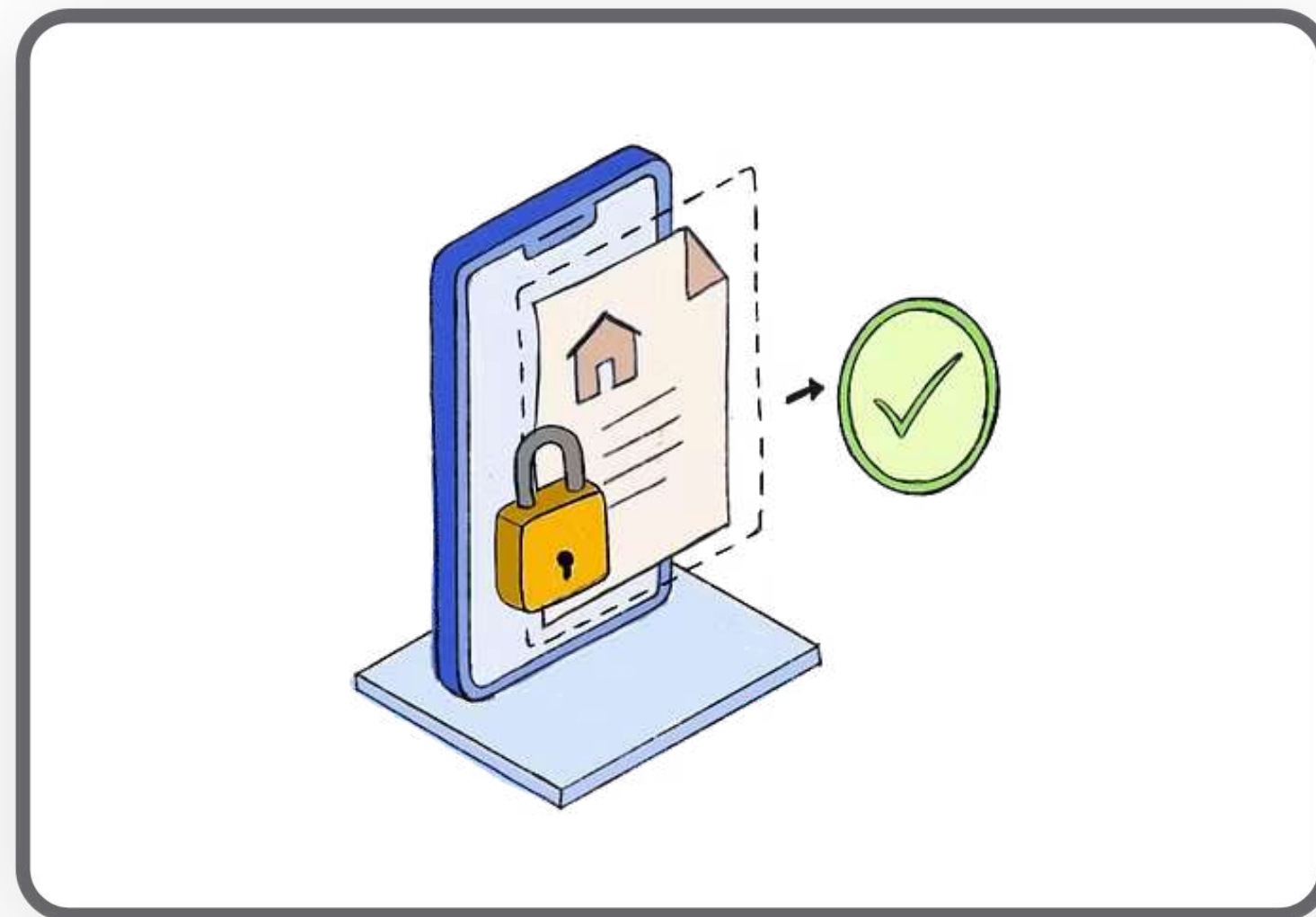
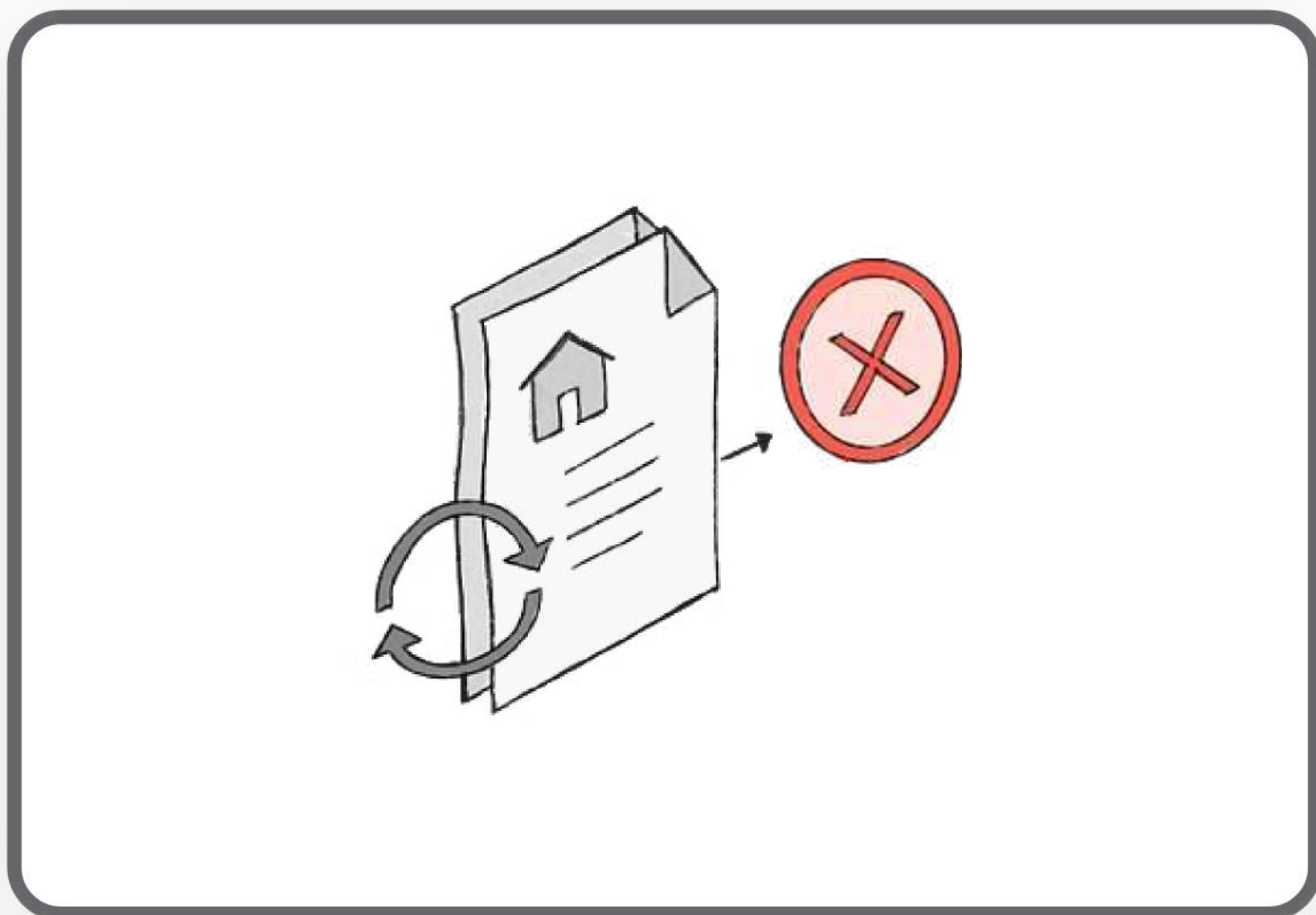
Paper based, unreliable due diligence & multiple in-person visits



In-app tokenization, instant verification, easy access & composable workflows



Maya applies for **loan against property** to kickstart her business



Lack of trust, inaccurate risk assessment & loan rejections



Digitally locked & non-tamperable collateral





Now, let's imagine **use cases!**



*Maya is a creator
setting up her
new business*



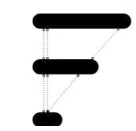
She needs upfront **capital to start**



She needs **trade insurance** for de-risking her cash flow



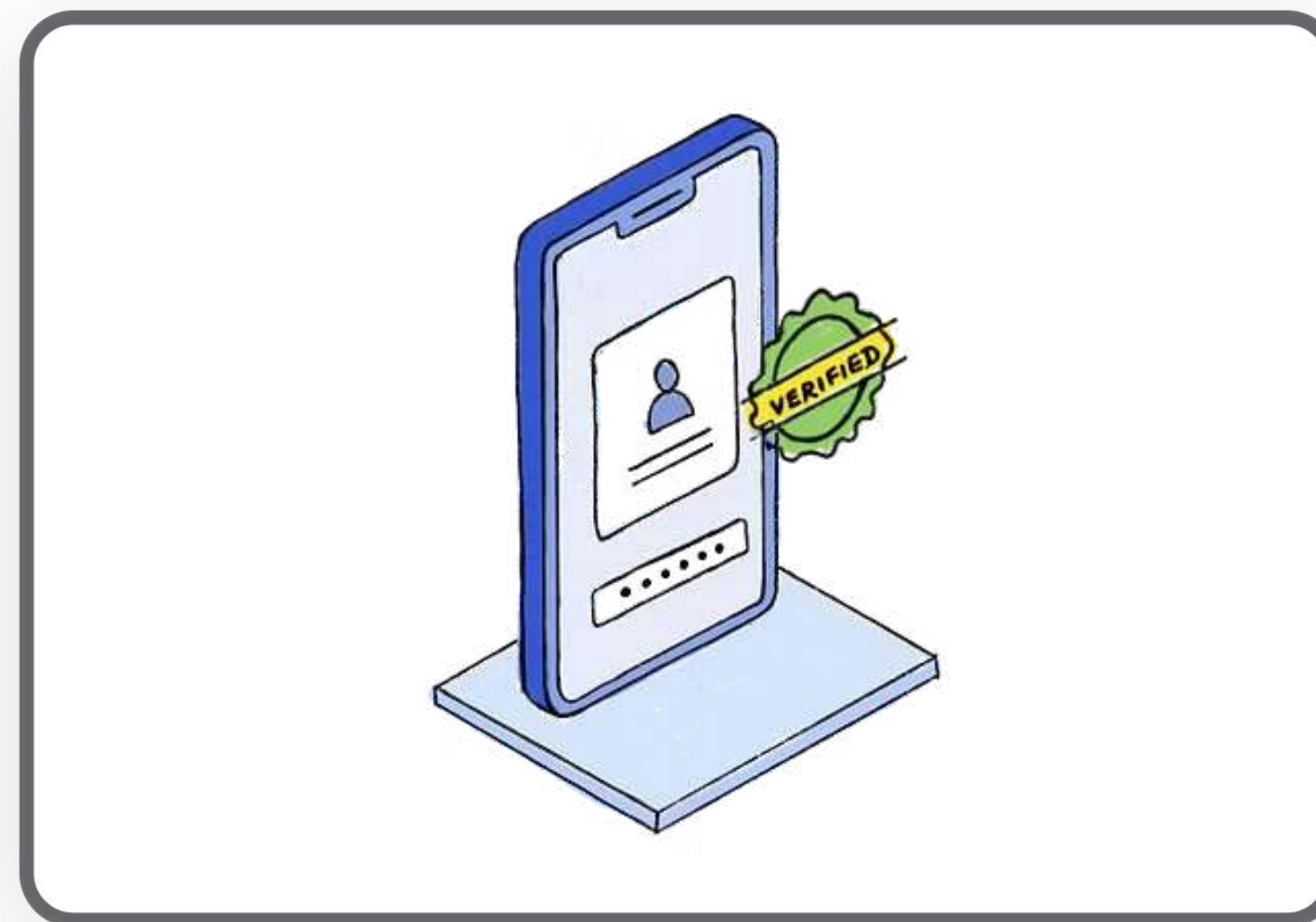
She needs to get **government grants**



Maya obtains **trade insurance** against her invoices to de-risk her business



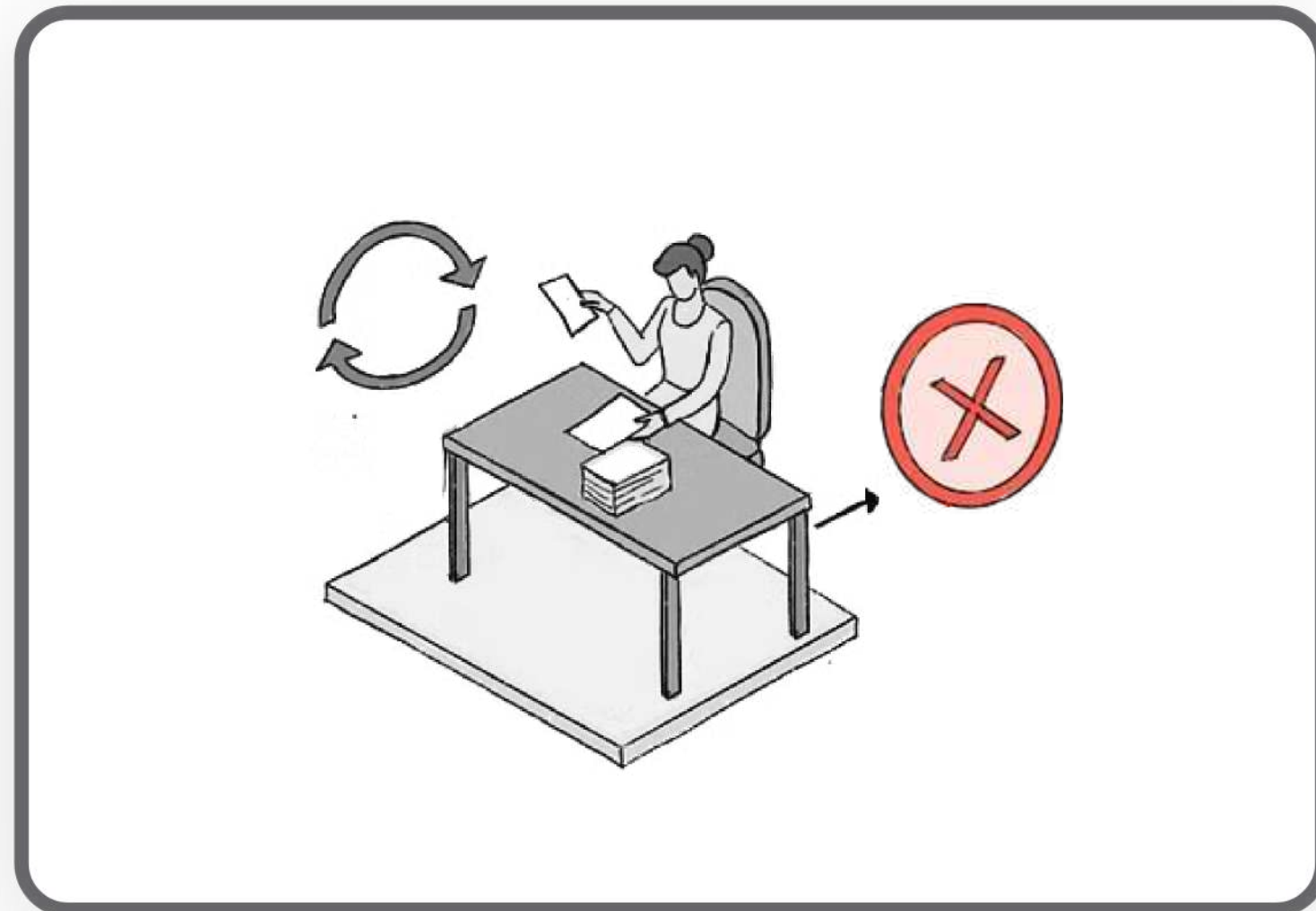
**Multiple in-person visits,
follow ups & lack of trust on
authenticity of business**



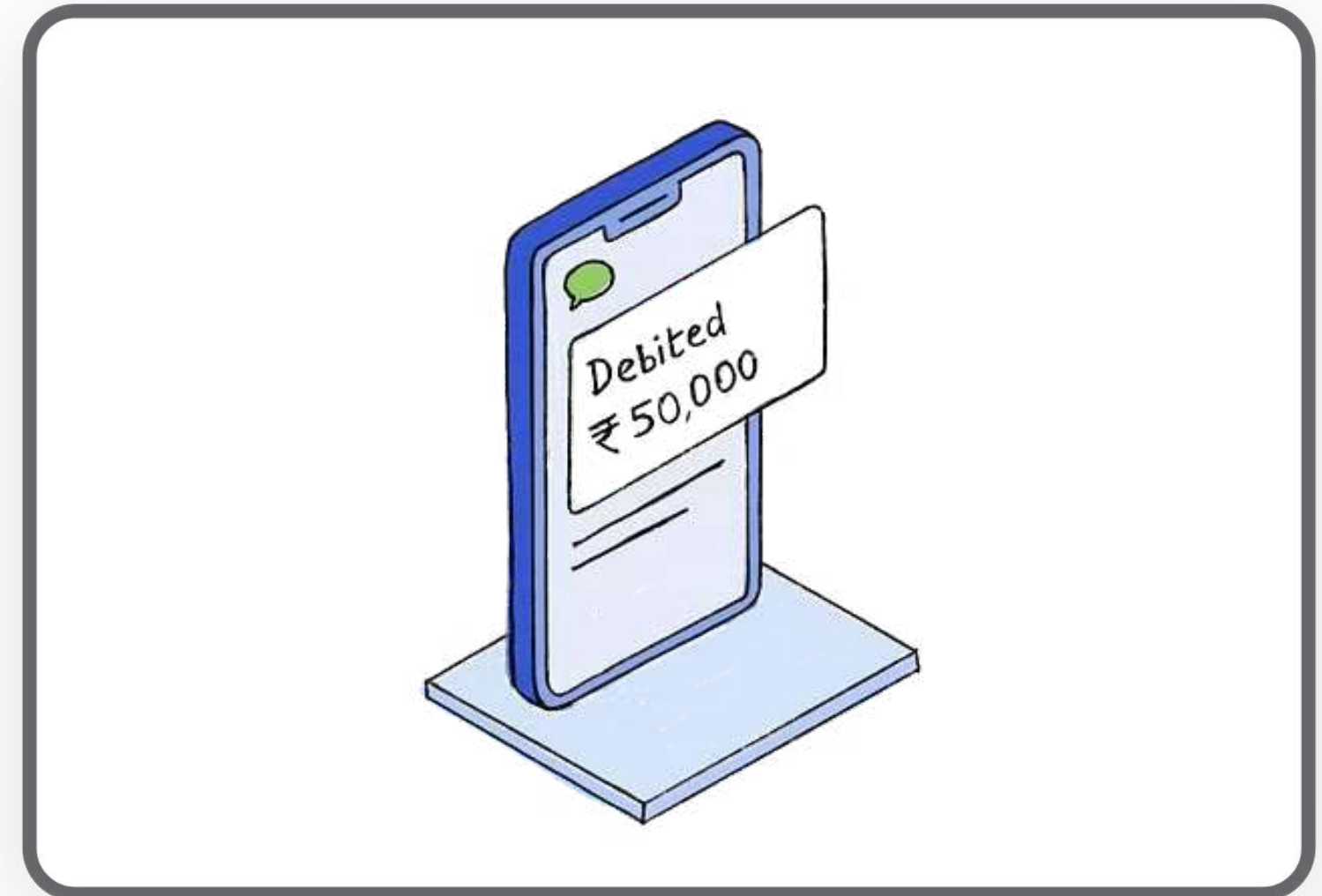
**Instant verification based on
proofs and approval of insurance**



Maya obtains **trade insurance** against her invoices to de-risk her business



Manual due diligence, high rate of claim rejections



Claims settled instantly based on trusted data



Now, let's imagine **use cases!**



***Maya is a creator
setting up her
new business***



She needs upfront **capital to start**

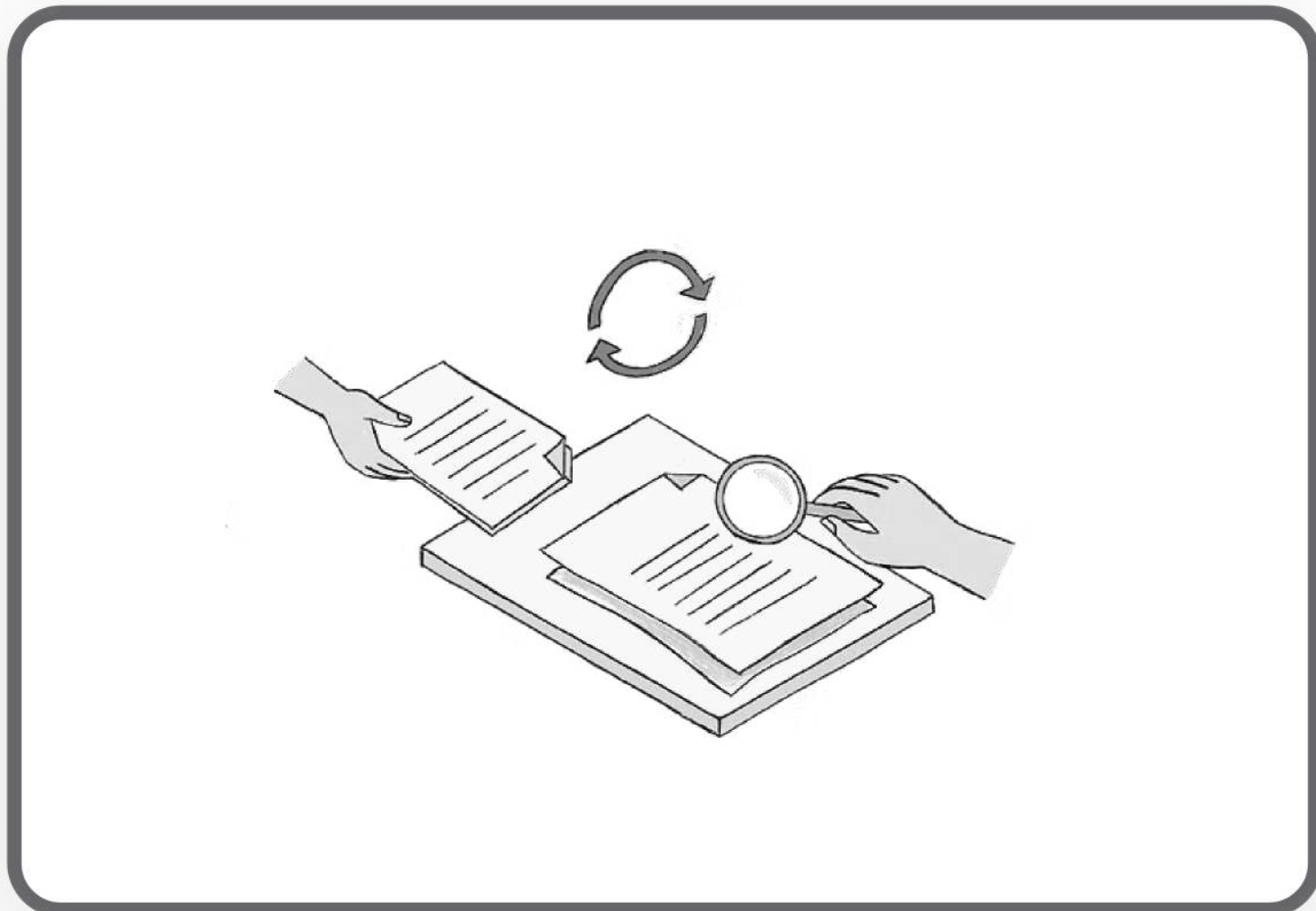


She needs **trade insurance** for de-risking her cash flow

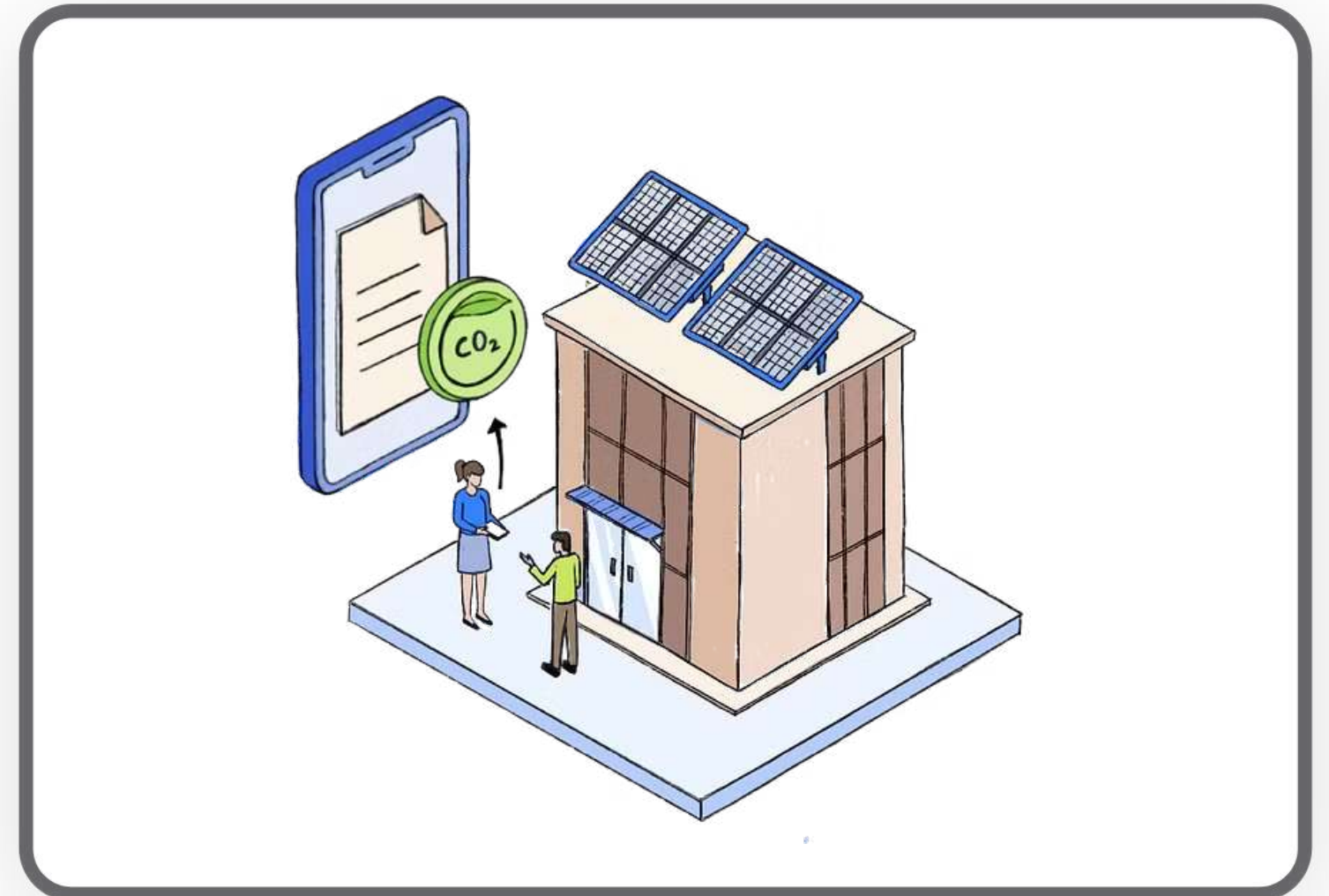


She needs to get **government grants**

She applies for **sustainability grants** for her solar powered office



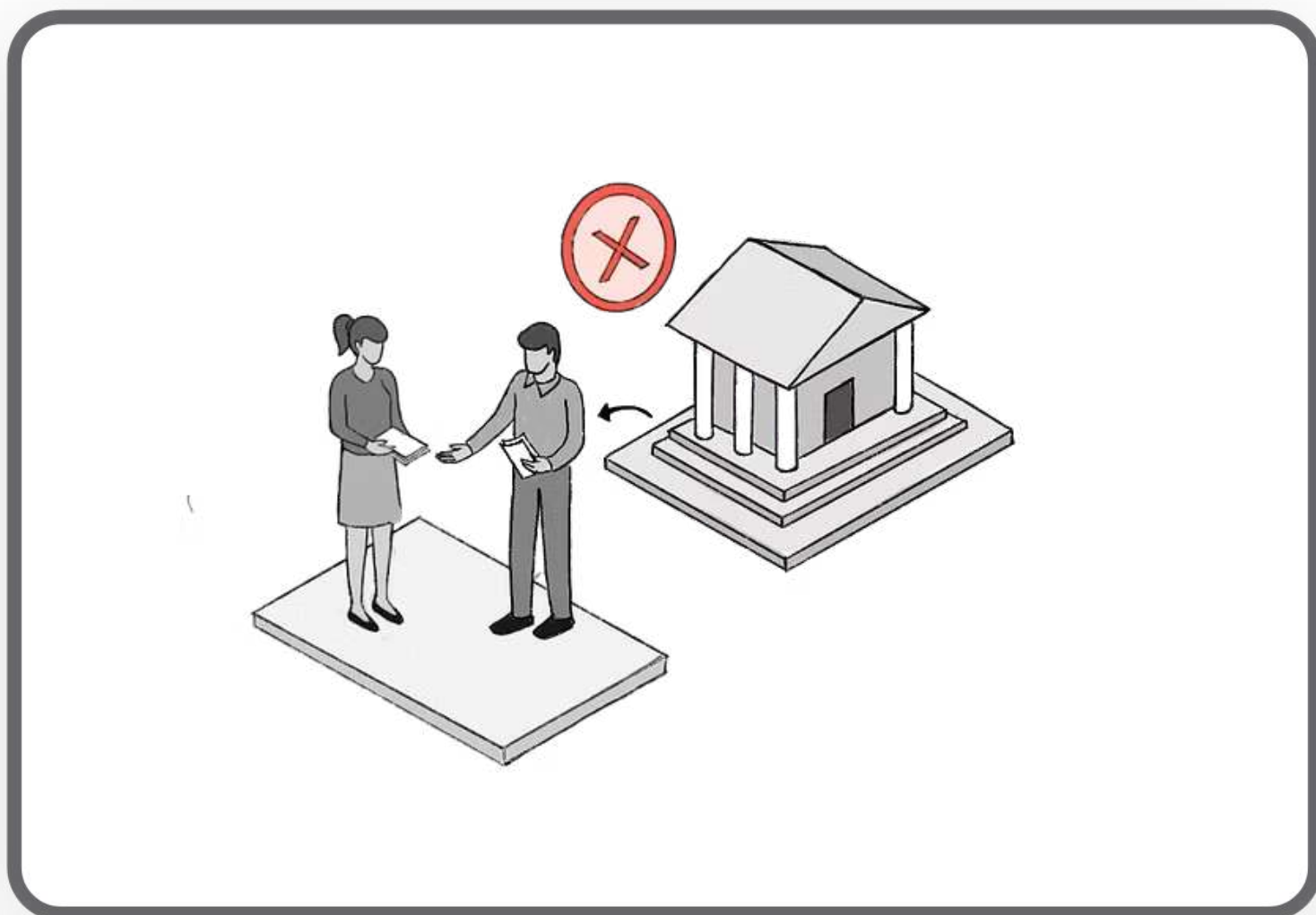
Multiple follow ups & lack of trust in underlying data



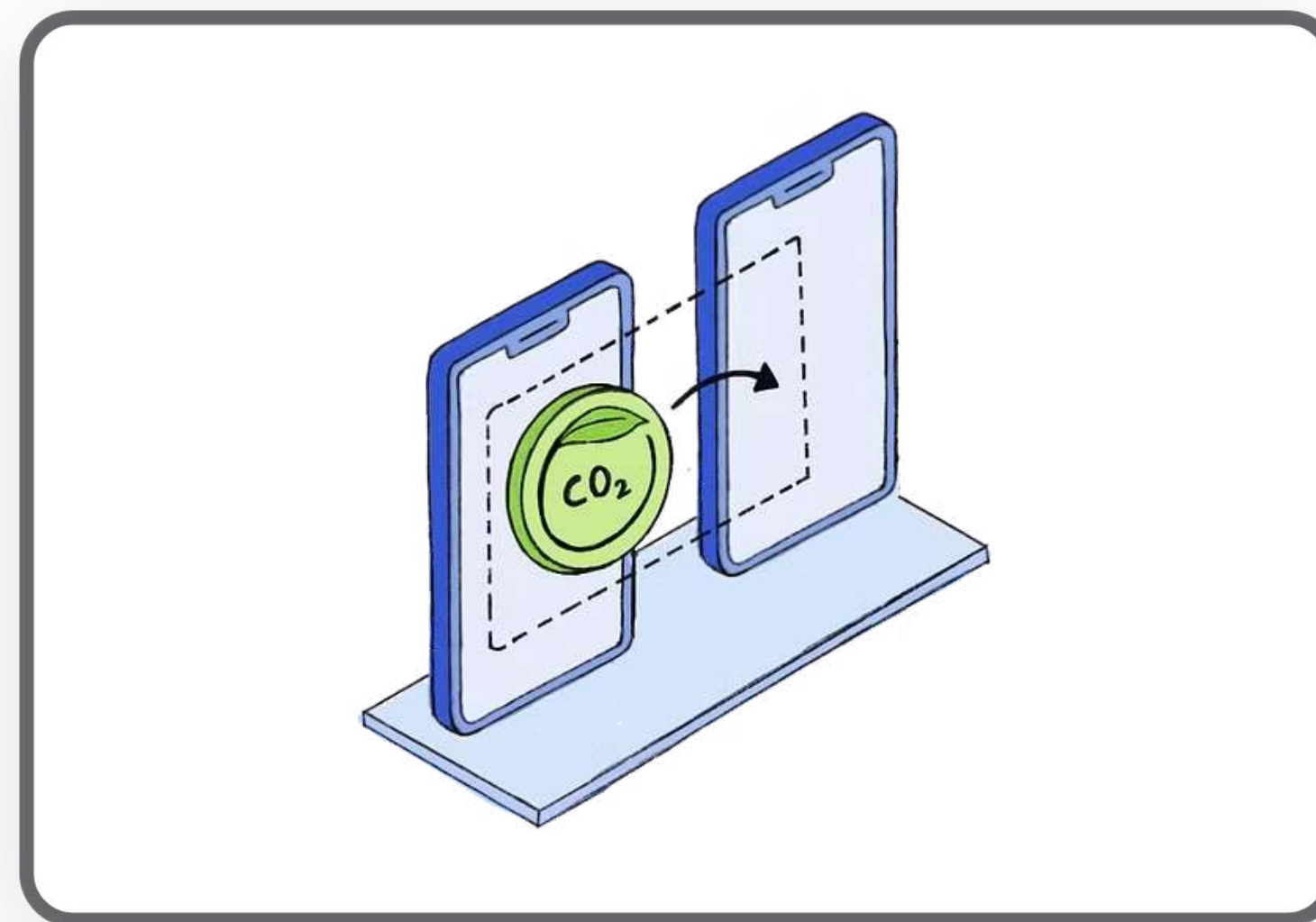
Instant verification & issuance of non-repudable tokens



She applies for **sustainability grants** for her solar powered office



**Manual due diligence,
inaccurate validations,
limited transactability**



**Programmable & transactable
carbon credit tokens across the
world**





Finternet enables quick **dispute resolution**



**Lifetime
provenance** of
all assets



**Online Dispute
Resolution**

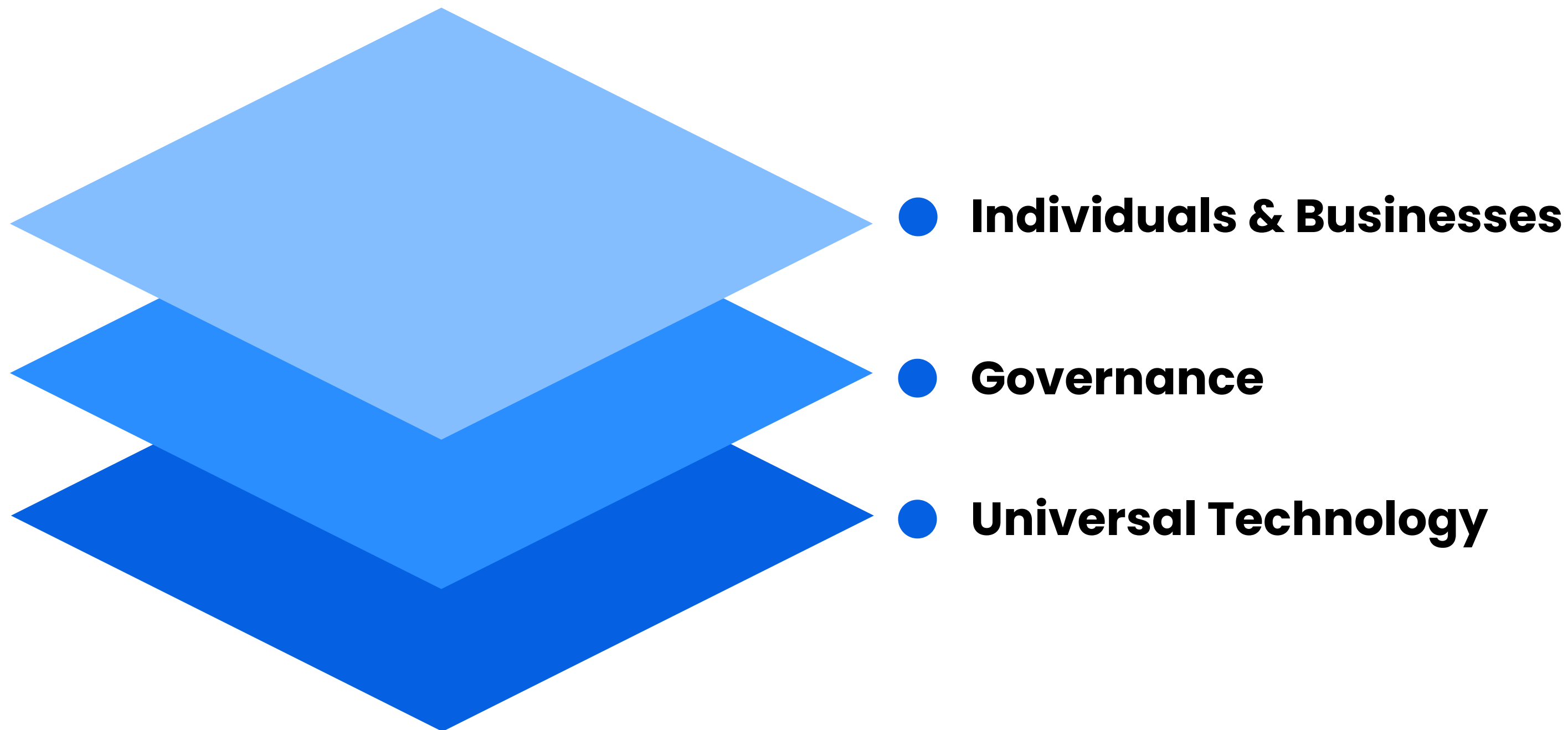


Digital evidence
for auditability &
observability

Dispute resolution on Finternet could save decades in court!



Finternet enables regulators to **regulate** & innovators to **innovate**





Finternet is **safe & secure**



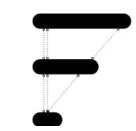
Security & privacy by design



Participation of **public authorities**



Specialized **trust service providers**



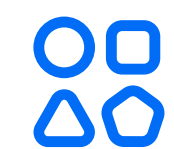
Finternet is a **network of networks**



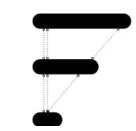
Connecting **individuals & businesses**



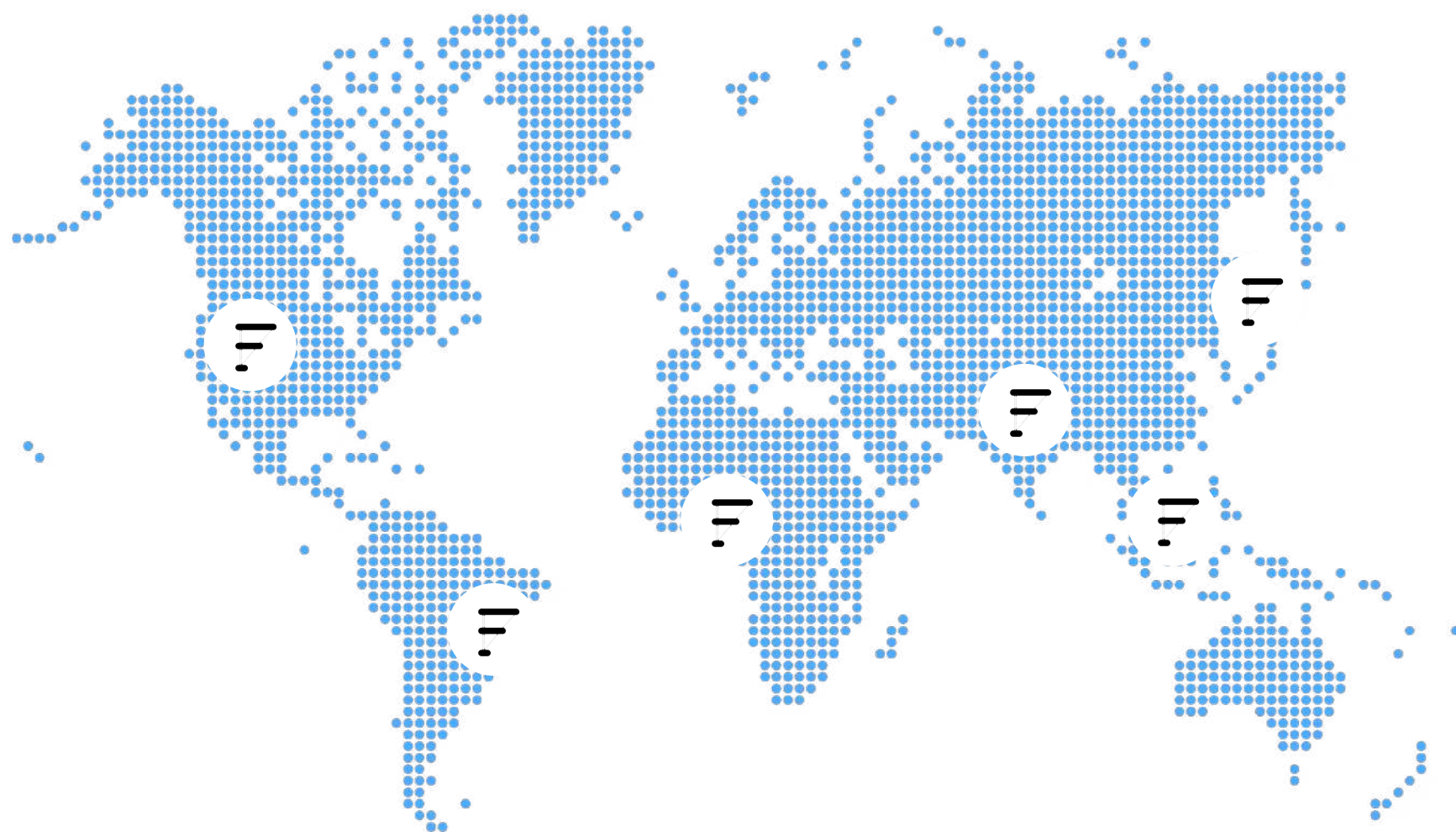
Sector & border agnostic connections



Universal rails with **permissioned** flows



International community that's come together to bring Finternet to life



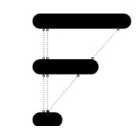
Network of **Finternet Labs**



Global **hackathons**



Local **ecosystems**



Open source sandbox to demonstrate diverse use cases

 **Developers** can build apps and infrastructure

 **Financial Institutions** can manage tokens

 **Public Authorities** can participate as observers



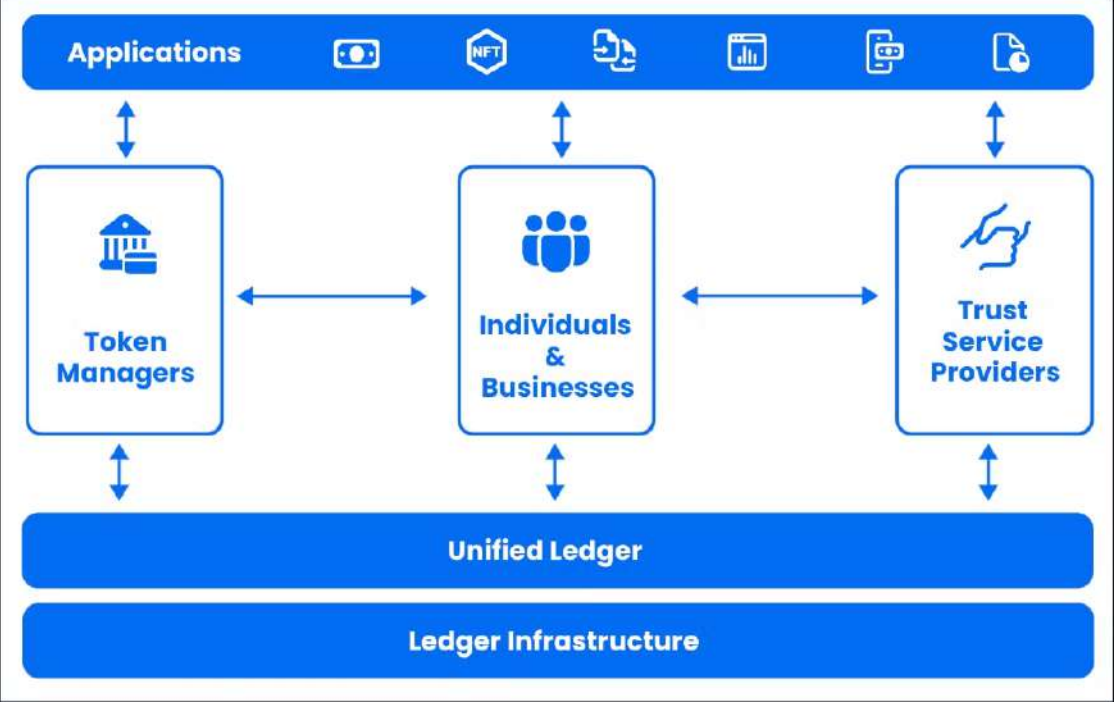
README MIT license

Finternet Sandbox

Welcome to Finternet

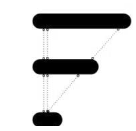
The Finternet aims to enable multiple ecosystems to interconnect, much like the internet, thus empowering 8+ billion individuals and 300+ million businesses by placing them at the center of their financial lives. It is a user centric, unified, & universal approach to finance.

The objective of the sandbox is to encourage participation of various technical service providers and asset issuers on the Finternet. The prototype provides a set of protocols and schemas along with a developer sandbox.

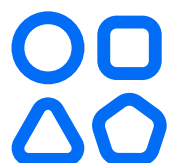


The sandbox consists of ledger interfaces and infrastructure that various tech providers can plug their solutions into. Financial institutions and asset issuers can also be observers on the sandbox:

- Developers can build apps and infrastructure
- Financial Institutions can issue tokens
- Regulators can participate as observers



The Finternet is **open for innovators** to build population scale solutions across domains




User Applications




Ledger Infrastructure



Decentralized Identity



Programmatic Compliance



Decentralized Directories

The community is growing...



+ more organizations and individuals



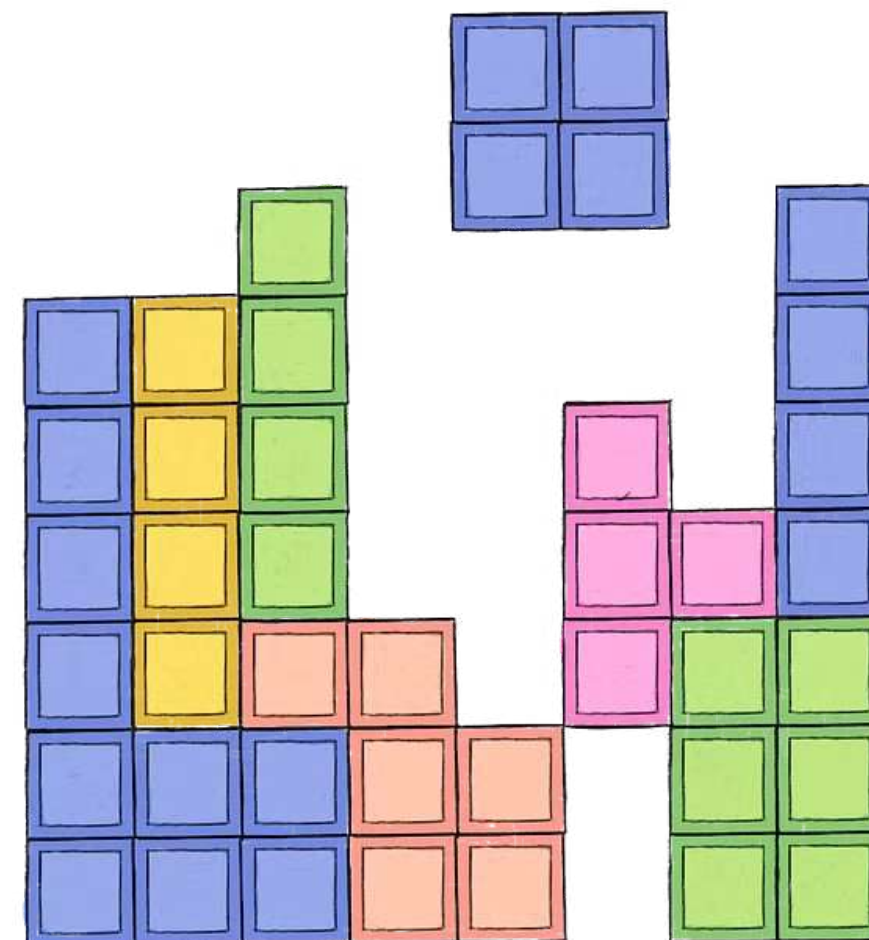
Ambitious Vision, **Calibrated Action!**

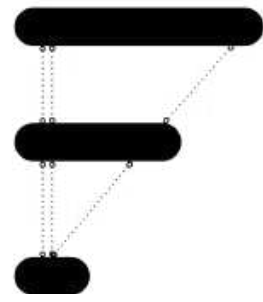
The Finternet is designed for asynchronous adoption

+1 Enabling adoption **one step at a time**

 A journey of building trust **gradually**

 Join **whenever you want**, its always interoperable

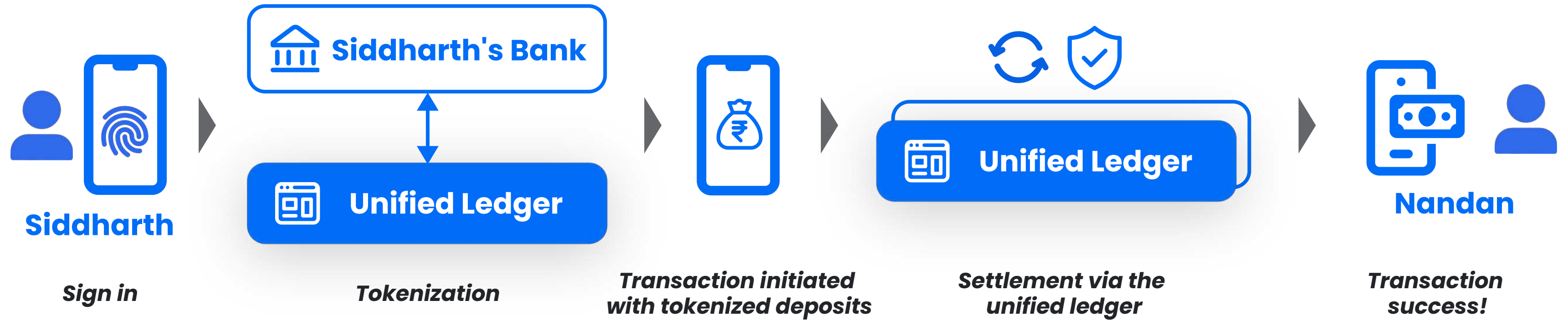




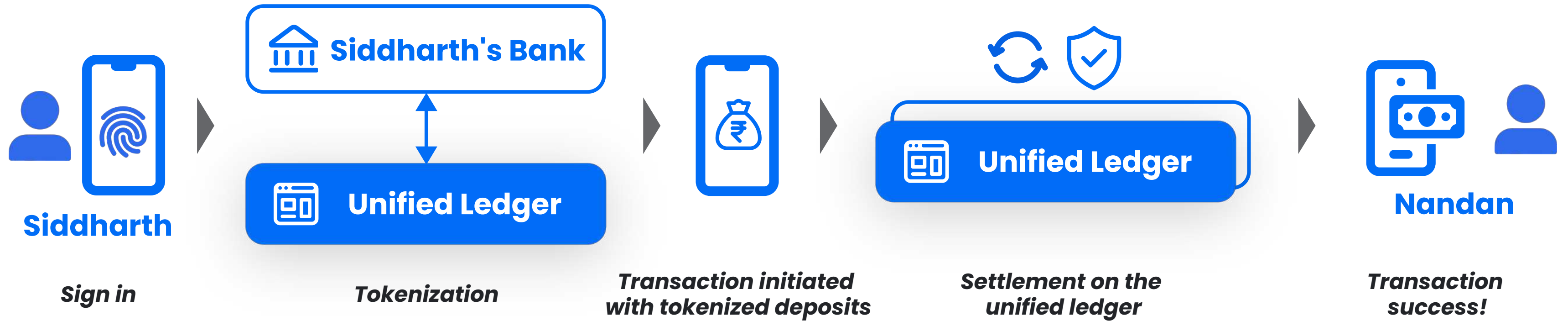
Here's a quick tour of the Finternet

Playground

How it works



How it works



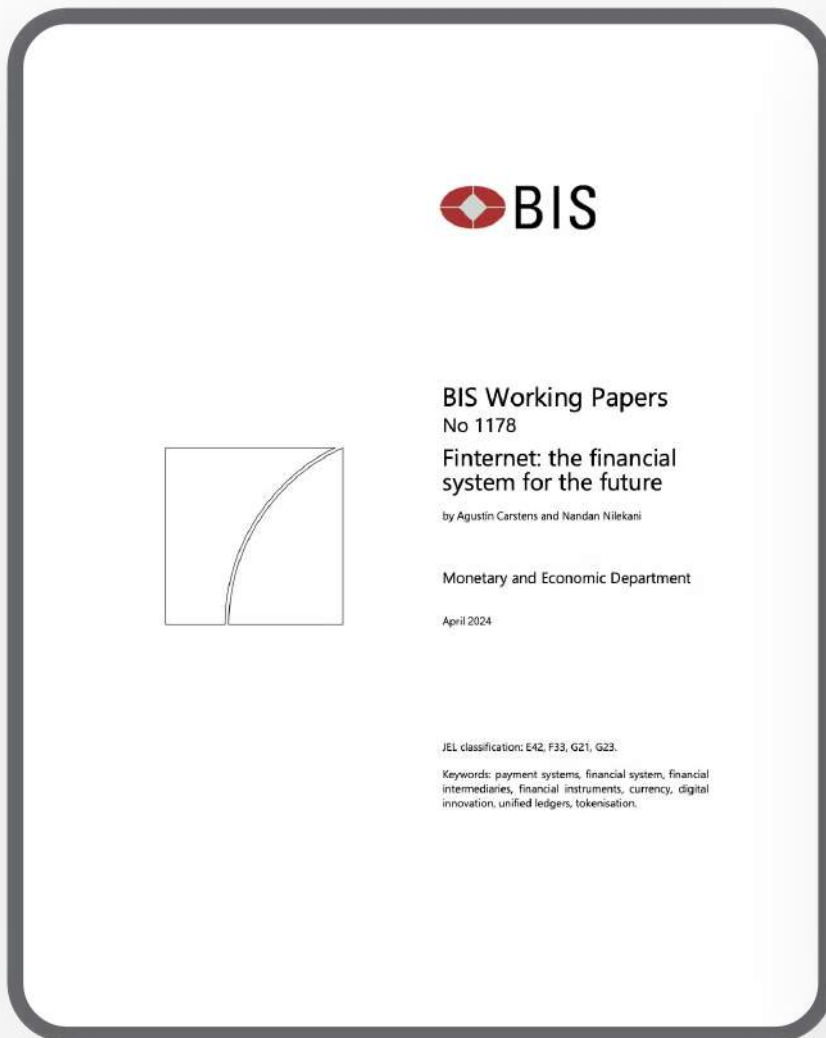


Learn more about the Finternet

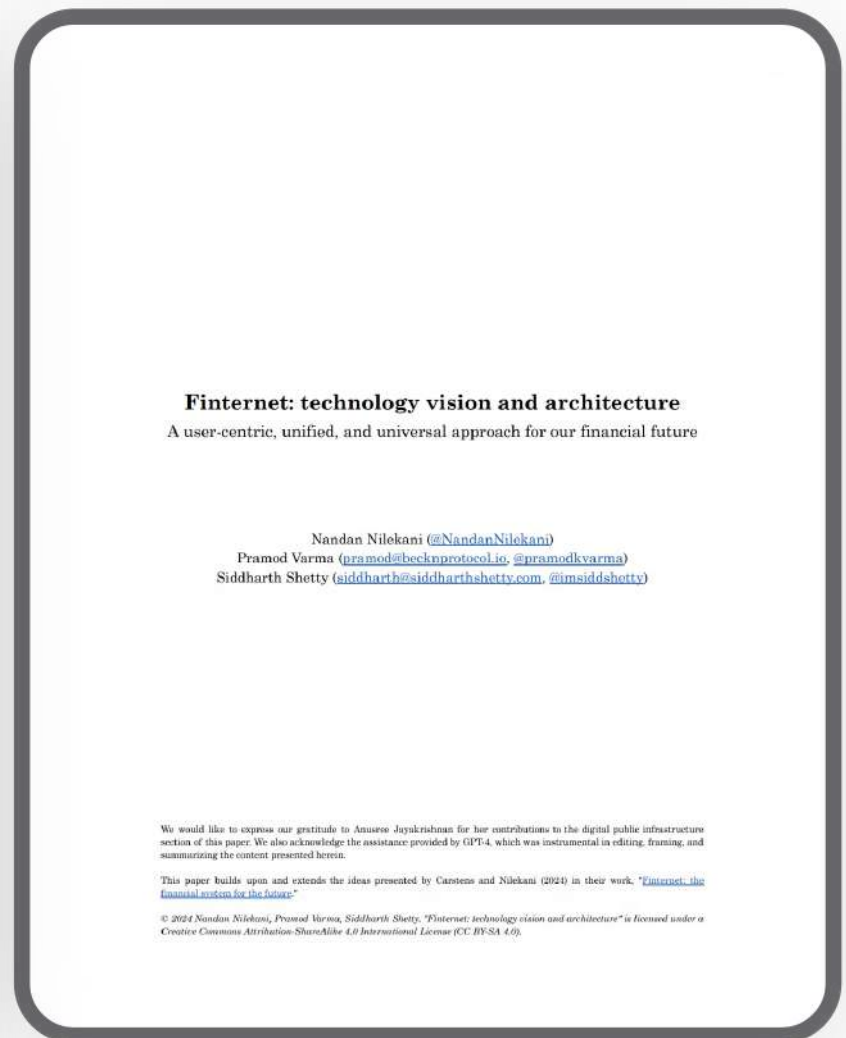


Release of Finternet working paper in Washington DC (April 19th 2024):

- Agustín Carstens (Bank for International Settlements)
- Joachim Nagel (President, Deutsche Bundesbank)
- Roberto Campos Neto (Banco Central do Brasil)
- Nandan Nilekani (Infosys; UIDAI (Aadhaar))
- Changyong Rhee (Bank of Korea)



Finternet: the vision for the future financial system by Nandan Nilekani & Agustín Carstens

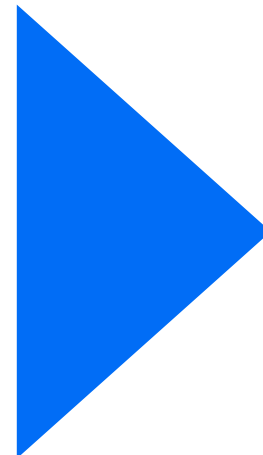


Finternet: technology vision and architecture by Nandan Nilekani, Dr. Pramod Varma, Siddharth Shetty

Join the **movement** & visit finternetlab.io



Scan me
to learn more

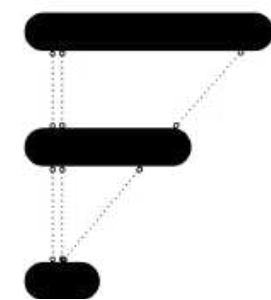


Finternet

The vision for the future financial system

Nandan Nilekani

28th August, 2024



finternetlab.io