COMPULYNX

Creating Equal Opportunities in Africa Through Digital Identity

Sailesh Savani, Founder & CEO

The lack of secure, credible, and verifiable identities of individuals in most African countries was real trouble for user identification and developing digital identities. Banks struggle to securely identify their account holders, resulting in unsurmountable financial frauds and losses due to identity theft. Similarly, NGOs have continually faced the challenge of disbursing cash and non-cash benefits transparently to marginalized communities and large parts of populations displaced due to natural or political disasters. Donors have increasingly mounted pressure on NGOs to provide evidence of having disbursed benefits to rightful individuals. These challenges formed the genesis of Compulynx's eKYC solution.

Compulynx developed its innovative COMPAS, a biometric-enabled digital identity and eKYC platform that seamlessly integrates with existing systems, if any, to add an extra and a rather secure layer of identifying account holders and beneficiaries. "With the deployment of COMPAS, our partners have seen huge savings by way of reduced fraud and increased efficiency in their processes, be it a cash withdrawal transaction at a Bank teller counter / ATM or disbursing cash or food to refugees," explains Sailesh Savani, Founder and CEO, Compulynx.

From a user experience perspective, initially, it was very intimidating for individuals that an organization other than the government is asking for enrolling their biometric data onto their systems. However, this was overcome by very clearly articulated communication on the benefits. Furthermore, it became evident to the users as they started transacting with these organizations via their biometric credentials, whereby it was fast and seamless. The many manual verification processes were eliminated and have created a seamless and delightful user experience for Bank Account holders and refugees alike.

Over the years, Compulynx has been at the forefront of developing and deploying secure identity platforms based on Biometric technology, primarily for the Financial and NGO sectors in East Africa and beyond. The company pioneered developing Biometric-based KYC and benefits disbursement solutions over fifteen

years ago and has been working with the largest Banks in the region to enable them to secure their KYC processes.

The company's biometric authentication and eKYC solution is a software that uses biometrics to identify and verify any person (user or customer depending on the use case). The solution allows for enrollment of persons by capturing their basic details, names, unique identifiers, coupled with their biometric credentials. "Our solution supports various biometric modalities (fingerprints, palm, face, iris). User demographic details and their biometric credentials create a complete profile upon which matching can be done. The whole process of creating this record is termed enrollment," points Avijit Dasgupta, Head of Digital Identity & Payment Solutions, Compulynx.

Once enrolled, persons can be matched and verified. Matching is categorized into two; 1: N and 1: 1 matching. In both cases, it leads to the identification of persons against the biometric credentials supplied to the matching engine. In addition, the systems ride on 1: 1 matching to perform authentication of users leading to authorization of access to various services depending on the use case at hand. By providing user or customer biometric with a criterion, say username or account number, the system can authenticate accordingly, in which case. This way, third-party systems through integration can submit their requests for authentication within their various workflows, and they will be served seamlessly.

Complex has been in this space for over fifteen years and has undergone steep learning curves at every juncture of this journey as the technology continued to evolve and user awareness increased. The team's experience in the deployment of eKYC projects in various geographies, diverse populations, and socio-economic conditions helped them to be ahead of the game. "Most of the time, we know what to expect in any project, and our deployment and training methodology is aligned in advance to the expected unique nuances of every project. Our technology stack has evolved over the last fifteen years and has gone through hundreds of upgrades, and multiple revamps. This has resulted in a culmination of our years' experience as well as alignment of the solution to the most advanced technology tools, systems, and platforms," extols Chaula Ganatra, Director of Digital Identity Business, Compulynx.

An instance that highlights the company's value proposition is when they assisted a customer who was acquiring a bank. The challenge in the country was the lack of National ID for citizens and residents. As the customer acquired the bank, they quickly realized several delinquent loan accounts emanated from duplicated identities of the same individuals borrowing from the bank under fake identities. Being a trusted partner for the bank, the Compulynx team was tasked to develop an independent yet secure KYC system that will enable the bank to ensure there are

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no duplicate accounts of one individual across the bank network. Each customer needed to have one single identity across all products and channels. Compulynx delivered a biometric-enabled KYC system that seamlessly integrated with the bank's core banking system and customer onboarding process in just four months. The bank since has seen its bad loans improve by 97%. Defrauders have been apprehended and brought to the books, and the bank has seen a significant increase in customer confidence as well as its bottom line.

Since opening its doors, Compulynx has bagged several awards, including the Kenya Government Vision 2030 Award 2012 and CSK Outstanding Biometric Solution 2013. Today, there are several strategic initiatives within the company that will expand the reach of eKYC to newer geographies and industry verticals and leverage biometric, AI & ML technology expertise to democratize Digital Identities of individuals to create equal opportunities for all, which is currently being hindered just because of lack of credible identities of millions of Africans. "While we continue to develop our solutions, we know that we cannot operate as lone rangers, and therefore we have forged alliances with several governmental and private sector enterprises to help us meet our strategic objectives. Meanwhile, we will continue to invest in the development of the platform in readiness for futuristic technologies like Artificial Intelligence (AI) and Machine Learning (ML). This guarantees our customers to be ahead of the pack in their individual industries," concludes Savani. 🛡
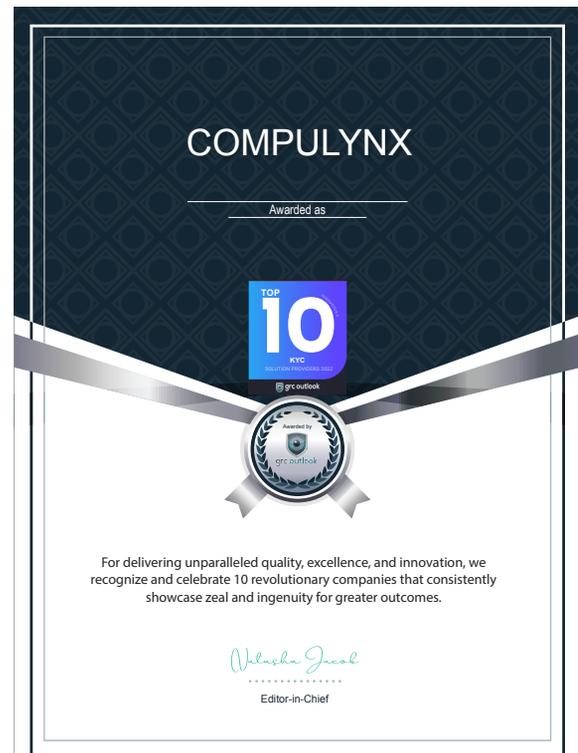
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As the pandemic forced the world to shut down in a matter of weeks, it also caused a shift in both criminal behavior, rapidly increasing fraud. As a result, this highlighted several areas within the KYC process that still crucially need development. This led to the development of more advanced and innovative KYC solutions.

Before the pandemic, KYC workflows were complicated, but businesses are dramatically leveraging technology to simplify workflow and KYC management. With leading technology and cloud-based software, businesses can now implement KYC screenings without disrupting any of the current workflows. Comprehensive and a variety of formats are already existing to help businesses to integrate them into existing workflows hassle-free.

Moreover, considering the sheer volume of data that needs to be processed, AI-based solutions are the only way of the future. KYC solutions with integrated AI continue to prevail in the new year and beyond. The advanced solution uses machine learning, AI, and other state-of-the-art technologies to find blind spots to reduce false positives.

To help businesses understand more about the current KYC trends and leverage the potential of some of the most cutting-edge solutions, we've developed this special edition on KYC Solution Providers 2022. This edition includes a list of the most innovative KYC Solution Providers in the industry today and insights from the industry veterans and people closer to the KYC space.

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For delivering unparalleled quality, excellence, and innovation, we recognize and celebrate 10 revolutionary companies that consistently showcase zeal and ingenuity for greater outcomes.

Natasha Jacob

Editor-in-Chief

COMPULYNX
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CompuLynx is a pioneer and a leading player in East Africa's technology solutions space. For over 27 years the ISO-Certified company has and continues to consistently and successfully deliver Technology Solutions into two Practices – Retail Management, Digital Identity and Payment- to over 500+ enterprises in over 37 countries globally.