Research on Zcash's KYC-Free Infrastructure

Primary Contact:	Ian Sagstetter
Amount requested:	$6,000 USD (upon completion of grant)
Grant Description:	Pitch: A one-liner elevator pitch version of your proposal Funding a research grant to research, analyze, and document non-KYC options available to Zcash users, and present further recommendations to the community. --- Description of Problem, Opportunity, and Solution: Problem I believe that most Zcashers acquire Zcash through buying it on a centralized exchange. This means that they submit identification verification (aka Know Your Customer {KYC}) and the exchange, who is susceptible to data hacks and leaks, knows how much Zcash you have purchased. I also believe that Zcash needs to have focused efforts on increasing its peer-to-peer adoption. We can't just Zodl, we need to spend! If Zcashers are onboarded only through centralized exchanges, there are a large number of people that are looking for a return on

	their investment. This means there are less incentivized people who'd use Zcash in a peer-to-peer fashion. Opportunity Due to a functioning, Orchard-first, Zcash wallet being widely available on major app stores, it is easy to onboard new Zcash users. Also, there are a number of tools we can use to help onboard new users without sending them to a centralized exchange (the main one being Free2z). There are also a number of non-KYC exchanges that can help users swap ZEC into other tokens should they choose to. With infrastructure in place, we can create resources that encourage peer-to-peer, shielded Zcash adoption. A simple thought exercise: When we want money IRL, we create a bank account and then submit bank details to an employer who pays us through a bank transfer. In Zcash, you could download a wallet, complete work online for someone and then give them a shielded address to send the payment. Why Zcash over centralized banking? No KYC and potential censorship! But, these tools are segmented, and it's difficult to understand how all of them fit into the ecosystem. We also need better documentation on the various privacy guarantees that each solution has. Solution I propose that I spend 3.5 months researching and analyzing Zcash's current non-KYC infrastructure, analyze and document current solutions, and present further recommendations to the community. The main purpose of this research would be to show Zcashers what options are available to them, creating onboarding documentation on the best way for users to join Zcash via non-KYC infrastructure, and manage a comms sprint going into, and following, Zcon4.

	---- The solution will be structured as: -Research site (similar to this structure, albeit less technical) -User guides (similar to ZecHub) -Zcon4 presentation on research and recommendations -Comms sprint (similar to ZecHub style comms while I managed it) ---- Solution Format: What is the exact form of the final deliverable you're creating? The format of the work will be: A simple research website documenting the research -Contains research on: --Current Zcash non-KYC infrastructure --Other ecosystem's non-KYC infrastructure --Gaps and potential solutions to said gaps --Recommendations --User guides similar to ZecHub -Contains guides on: --How to acquire ZEC w/o KYC --How to spend Zcash w/o KYC --How to exchange Zcash for other cryptocurrencies to spend -A comms sprint leveraging the ecosystem's communication channels --Twitter Spaces, Free2z Live Streams, ZFAV meetups, etc. -Zcon4 presentation --If speaking application accepted ---- Dependencies: What external entities is your project dependent on? What involvement is required from ZF, ECC, and/or other external organizations? Who would have to incorporate your work in order for it to be usable?*

	No dependencies to complete work. However, it would be nice to do meetings with community members and ecosystem partners, so they'd have to be willing to meet with me for that to happen! --- Execution risks: What obstacles do you expect? What is most likely to go wrong? Which unknown factors could jeopardize success? Who would have to incorporate your work in order for it to be usable? One execution risk is that this would be my first research project. But, I've consistently proven that I can deliver results for Zcash-specific work, even if I lack experience in the domain. I.e. role at ECC, ZecHub. Another is organizing calls for research. It'd be great to speak with community members on current infrastructure and understand where they feel gaps are, what they think are good solutions, and what solutions they'd want to see built. I'd also like to speak with partner organizations, who provide non-KYC infrastructure, to understand why they support, or don't support, Zcash. I was pretty good at cold outreach back in the day, so I don't doubt I could organize some meetings through cold outreach and community introductions. --- Schedule and Milestones: What is your timeline for the project? Include concrete milestones and the major tasks required to complete each milestone. Milestone 1 - estimated completion date: 05/31/2023 Milestone 1 - USD value of payout upon completion of deliverables: $0 Deliverable 1.1: Zcash non-KYC Research Report -This month is focused on organizing calls with community members, non-KYC infra providers, structuring research documentation, and creating a site (or leveraging a community site) to host the non-KYC user guides Milestone 2 - estimated completion date: 06/30/2023 Milestone 2 - USD value of payout upon completion of deliverables: $0

	Deliverable 2.1: Zcash non-KYC Research Report -This month will focus on creating the introduction section to user guides, analyze research calls, present research outline to the community, and begin writing the research documentation Milestone 3 - estimated completion date: 07/31/2023 Milestone 3 - USD value of payout upon completion of deliverables: $6,000 Deliverable 3.1: Zcash non-KYC Research Report -This month is focused on finishing user guides, publishing research, and presenting my findings at Zcon4. ---- How was the project timeline determined? The work will be done and delivered from April 17th to August 1st, 2023. Application submission date: 03/06/2023 ---- Final thoughts: Throughout my time in the Zcash community, there hasn't been as much conversation around acquiring and spending Zcash via non-KYC avenues. This isn't to say that it doesn't exist, or that it's not possible, it's just not as widely documented as other areas. I want to focus my next few months on determining what gaps our community currently has, understand what solutions are possible, and present these findings to the community. I firmly believe that if Zcash does not have sustainable ways to acquire, exchange and spend Zcash, without KYC, then it will not gain adoption at the rate we hope, and it will miss a huge opportunity in giving the world a censorship resistant, private, digital cash.
Team:	Ian Sagstetter: Current: Member of the Zcash Community Advisory Panel, Advisor at ZecHub

	Prev: Communications and Community Manager at Electric Coin Company, Founder at ZecHub