



ERICSSON

BLOCKCHAIN TECHNOLOGY AND SMART CONTRACTS IN FINANCIAL SERVICES

Expert Table Discussion – Summary

SETTING THE SCENE



- › Do we need this in the first place?
 - “If it ain’t broke don’t fix it”
- › Public blockchain(s)
 - Is this really technically reliable with technology like bitcoin proof of work? -> Probably not
 - Major trust issue for banks when there’s no accountable entity for e.g. majority attacks.
 - Scalability is questionable.
- › Private blockchains
 - Proof of work not necessary.
 - No single point of failure.
 - Better scalability.

USE CASES



› Non-financial

- Air traffic
- Loyalty
- Real estate: transfer of ownership

› Financial

- Interbank clearing and settlement -> probable, but..
 - › Who will govern it? Who will set the rules?
 - › Enforcement and regulation -> this could be automated
 - › Value is in the transaction.
- Payments (“email for money”)
- User data registry – “Global Decentralized Bad Guy CRM”

› Identity

- Identity as a bank issued smart contract that can be extended.

CONCLUSIONS



- › Walk before you run
 - Understand how this works with low-risk use cases.
- › Blockchain technology can potentially offer automated regulation.
 - Level playing field for financial institutions.
 - Rules are built and enforced in code.
- › Circles of trust and governing entities will remain as key aspects in decentralized economy.

- › And whatever you do..



**KEEP
CALM
AND
DON'T LOSE
YOUR KEY**



ERICSSON