

## Smart Contract

Smart contracts are essentially programs that run when certain criteria are satisfied and are maintained on a blockchain. They're often used to automate an agreement's execution so that all participants can be aware of the results right away, without the need for any intermediaries or time delay.

The following are some of the benefits of smart contracts:

- Security - It is secure because the distributed ledger is impenetrable, it is unaffected by modifications.
- Disintermediation - Allows parties to interact with agreements without relying on middlemen.
- Near-real-time execution — Once the relevant criteria are met, it occurs virtually instantaneously for all parties, across involved machines.
- Transparency — Creates a trusting environment since the logic and information in the contract are transparent to all blockchain network members.

Cryptotokens have the potential to achieve sustainable development goals. There is also the possibility of significant damage. The technology on its own is outcome-neutral, relying on intelligent and ethical implementation and design. Within its efforts, the social impact sector has developed guidelines<sup>3</sup>, gathered evidence, and learnt a lot from unethical and negative unexpected consequences. This amount of evidence provides valuable insight towards the use of cryptotokens as BCIs. Because tokenized ecosystems are a novel innovation, this evidence base must be re-evaluated and its guidelines modified to apprise initial pilot studies. Projects must permit for both the testing of technical assumptions, the consideration of known ethical considerations, and the discovery of undiscovered ethical consequences.

Collaboration might well be organized around a standard operational framework based on an elastic lifecycle for developing cryptotokens as BCIs and assessing their efficiency in tokenized ecosystems. Around needs assessments, intervention selection, intervention design monitoring and evaluation, learning agendas, and other topics, this operational framework can be constructed using a combination of cryptotoken design processes and proven social impact due diligence techniques. To bring diverse cultures and skill sets into operational sandboxes with an uniform lifecycle, guidelines, conventions, and resources are needed. Initial stages should be focused on problem identification, diagnostics, and solution design, whereas later stages focus on iterative solution adaption and testing