PG-Independent Study(IIIT H) **Spring 2020**

Transacting on Blockchain Report-2

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The main Objective of this report :

This report forms as the part-2 of my **Independent study**. This report acts as the catalyst for learning and knowing the applications of Blockchain. This is the second report of my findings and understanding of Blockchain. The report would conclude all the findings,learning and open blank doubts that I would find myself stuck upon at that point of time.

Major Practical Applications of Blockchain

1. Financial Services

Recent numbers show that the asset management industry could cut costs by 2.7 billion dollar every year . Practical applications of blockchain in the financial services industry include client screening and onboarding, recordkeeping, data privacy and security, and trade processing. Similarly, the insurance industry is fraught with errors and costly mistakes. The FBI estimates that over 40 billion dollar a year is lost through fraud across all non-health insurance industries.

Example solution:

RiskBlock, a proof-of-insurance product, helps insurers save time and money through automated processes, and it helps insured individuals validate their insurance claims securely and quickly.

2. Smart Contracts

Blockchain and smart contract technologies function well in instances where legal contracts are required to maintain ownership rights and data privacy laws. These customizable, self-executing smart contracts on the blockchain can be easily managed by all parties.

Issues with ownership rights and royalties are commonplace within the entertainment industry. To navigate these issues, blockchain technology offers an unchangeable, traceable, real-time distribution and reporting network for all involved.

Example solution:

Ujomusic is one such application that is helping artists track their royalties worldwide.

3. Digital IDs

According to the World Bank, over 1.1 billion people worldwide still have no way to prove their identity. At the same time, companies and financial institutions in both traditional and digital markets are being required to follow more stringent know-your-customer (KYC) initiatives.

Despite this, many providers are still not sufficiently meeting these standards; to further complicate things, regulations vary widely from jurisdiction to jurisdiction.

Example solution:

Companies like IBM, Microsoft, and Cisco are migrating to the blockchain to securely and privately verify users.

4. Blockchain Internet of Things (IoT)

Gartner predicts that 20.4 billion IoT-connected devices will be active by the end of 2020, with some estimates showing the IoT market will reach 3 trillion dollar annually by 2026. Blockchain-enabled IoT devices would operate faster and more securely for both users and businessesenabling less centralized control over the financial industry, internet usage, and ownership rights.

Example solution:

Helium uses a decentralized machine network to simplify connecting anything to the internet through a blockchain, wireless network, and open-source software.

Future Insight

Blockchain technology promises to be the next major tidal wave of innovation. While still in its infancy, practical blockchain applications are becoming more mainstream. As blockchain adoption spreads, it can become a driving force for promoting equitable societies, solving complex economic issues, and transforming how we live and work every day.

Note:

Report-2 was designed in such a way that it gives an idea of Blockchain's future. The next and the **final report** would be in depth study about smart contracts and crypto assets.