

You are here: [Home](#) > [News](#) > [Technology news](#) > [R3 blockchain consortium explore smart contract templates](#)



7  
SHARES

[Twitter](#)

[Facebook](#)

[Reddit](#)

[LinkedIn](#)

[Email](#)

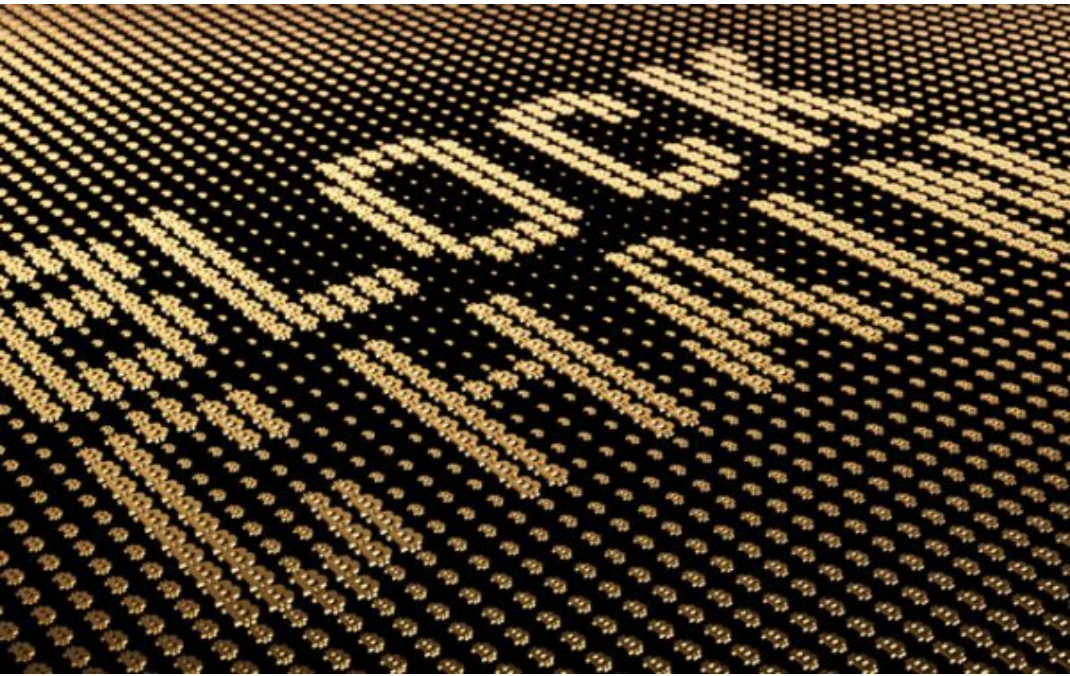
[Print](#)

[More](#)

# R3 blockchain consortium explore smart contract templates

13 July 2016 • Source: R3

The R3 blockchain consortium is spearheading efforts to understand and address the challenges of developing master templates for smart contracts. The self-executing contractual agreements are used to trade, record and manage assets on distributed and shared ledger platforms. It’s hoped that these efforts will help to understand how master templates for smart contracts could be implemented within existing legal and regulatory frameworks.



The news comes after the R3 Smart Contract Templates Summit in London and New York in late June. R3 has agreed to collaborate with a diverse working group of its consortium members, standards bodies, law firms, academic institutions, exchanges and market infrastructure providers. These include Barclays, the International Swaps and Derivatives Association (ISDA), Norton Rose Fulbright and University College London (UCL).

The group will begin exploring the development of repositories of smart contract templates for banks to download and use on blockchain-inspired platforms, such as R3’s Corda.

## Related FX-MM topics

- > [Blockchain](#)
- > [R3](#)

## Related stories

[GFT launches Blockchain app for commodities, allowing clients to track physical assets](#)

[Cambridge Blockchain crowned winner of the Santander InnoVentures Distributed Ledger Challenge](#)

[Toyota Financial Services joins R3 distributed ledger consortium](#)

## Also see...

[Filling the prime broker credit gap](#)

[TCA & MiFID II: What is transaction cost](#)

## FX-MM Directory

[DataLog Finance](#)

[DF Markets \(Delta Financial Markets Ltd.\)](#)

[FlexTrade](#)

[MORS Software](#)

[SmartStream Technologies](#)

[smartTrade Technologies](#)

[Swissquote Bank Ltd](#)

[More Companies](#)

At the summit, the group discussed potential roadmaps for development, with a short-term focus on understanding the challenges of connecting existing real-world legal contracts, for products such as interest rate swaps, to smart contracts – enabling the simplification of legal documentation and mutualisation of costs for banks.

Each bank currently stores its own instance of contracts, which can introduce inconsistencies and reconciliation challenges. Smart contracts operating on distributed and shared ledgers enable each of the parties to see the same agreed set of legal documents.

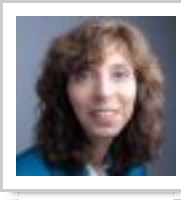
The group’s longer term goals include working with the legal community and academics to investigate how to take smart contracts to a point where they can be admissible in court and used for entry into dispute resolution. An update will be given at the second R3 Smart Contract Templates Summit later this year.

Richard Brown, Chief Technology Officer at R3, commented: “The promise of distributed ledger technology is that we can move to a world where sophisticated financial agreements between firms can be recorded and managed consistently and accurately without duplication, error or unnecessary cost. However, for this vision to be realized, more than just innovative technology is required: this technology must be embedded in a broader legal context and be sympathetic to the reality of business. Earlier this year, we collaborated with Barclays to demonstrate how Smart Contract Templates and R3’s Corda platform could work together to provide a workable and understandable bridge between the worlds of law and technology – and were delighted by the interest this created in the broader community and the interest in our Smart Contract Templates summit. The quality of the presentations and debate at the Smart Contract Templates summit exceeded our best expectations and we are looking forward to collaborating on the further development of this innovative approach.”

Dr. Lee Braine, Investment Bank CTO Office at Barclays, commented: “Barclays has been actively engaging in the blockchain field for two years, including experimenting with vendor products, supporting innovative startups via the Barclays Accelerator, and participating in industry consortia such as the R3 consortium and the Post-Trade Distributed Ledger Group. This year, Barclays Investment Bank has explored smart contracts in greater depth by leveraging its technology, legal and front-office teams – and collaborating with industry and academia through open innovation. In April, we demonstrated a Smart Contract Templates prototype creating an ISDA agreement and an interest rate swap trade that then executed as a smart contract on R3’s prototype Corda platform. We were delighted to participate in the recent R3 Smart Contract Templates Summit and it was inspiring to hear the views from industry, standards bodies, law firms and academia on how these emerging technologies could progress. We look forward to ongoing collaboration and the second summit in the autumn.”

Clive Ansell, Head of Market Infrastructure and Technology at ISDA, commented: “Technology is becoming ever more important in derivatives markets, as participants look for ways to enhance the efficiency of their operations. ISDA is committed to supporting innovations in technology, and smart contracts represent one area where considerable opportunity exists. ISDA’s existing suite of derivatives documentation, developed over many years, provides a basis to explore this further. The R3 Smart Contract Templates Summit provided a great opportunity for market participants to collaboratively work to drive technology opportunities like this forward, and ISDA is committed to working with all market participants to ensure markets continue to function safely and efficiently.”

Dr. Chris Clack, Senior Lecturer at University College London, commented: “The R3 Smart Contract Templates Summit provided an excellent opportunity to connect academia with lawyers and technologists in financial services. This included discussing different ways of modelling smart legal agreements and considering a potential roadmap of increasing sophistication. UCL’s Centre for Blockchain Technologies is exploring the academic foundations behind such ideas and looks forward to further participation at similar events.”



analysis and if I'm not trading equities, why do I need to consider it?



Sean Murphy, Head of Global Distributed Ledger and Blockchain Practice at Norton Rose Fulbright LLP, commented: “Smart contracts are receiving significant commercial attention, and for good reason. As highlighted in the R3 Smart Contract Templates Summit, smart contracts have the potential to transform businesses and deliver significant cost savings by automating and streamlining contracting processes. However, careful legal and regulatory analysis will be required as part of the risk assessment involved in using this technology. Our dedicated Fintech practice is helping our clients to identify, manage and mitigate legal and regulatory risks associated with the use of smart contracts.”

The R3 Smart Contract Templates Summit’s presentations are now publicly available online [here](#).

## Leave a reply

Name (required)

Mail (will not be published) (required)

Website

Your comment

Submit comment

### FX-MM

- ▶ [About us](#)
- ▶ [Contact us](#)

#### Want a FREE subscription?

All subscriptions include online membership, giving you access to the journal and exclusive online content...

Subscribe now

### Content

- [Magazine](#)
- [News](#)
- [Articles](#)
- [Expert Views](#)
- [Blog](#)
- [Commentaries](#)
- [Whitepapers](#)
- [Company Directory](#)

### Events

- [Webinars](#)
- [Industry Events](#)

### Editorial

- [Publishing](#)
- [Contact the Editor](#)

### Advertising

#### Recommended for you



Cryptocurrency  
LEOcoin shifts to Pro...

[www.fx-mm.com](#)

 AddThis



The future of  
Transaction Banking

[www.fx-mm.com](#)