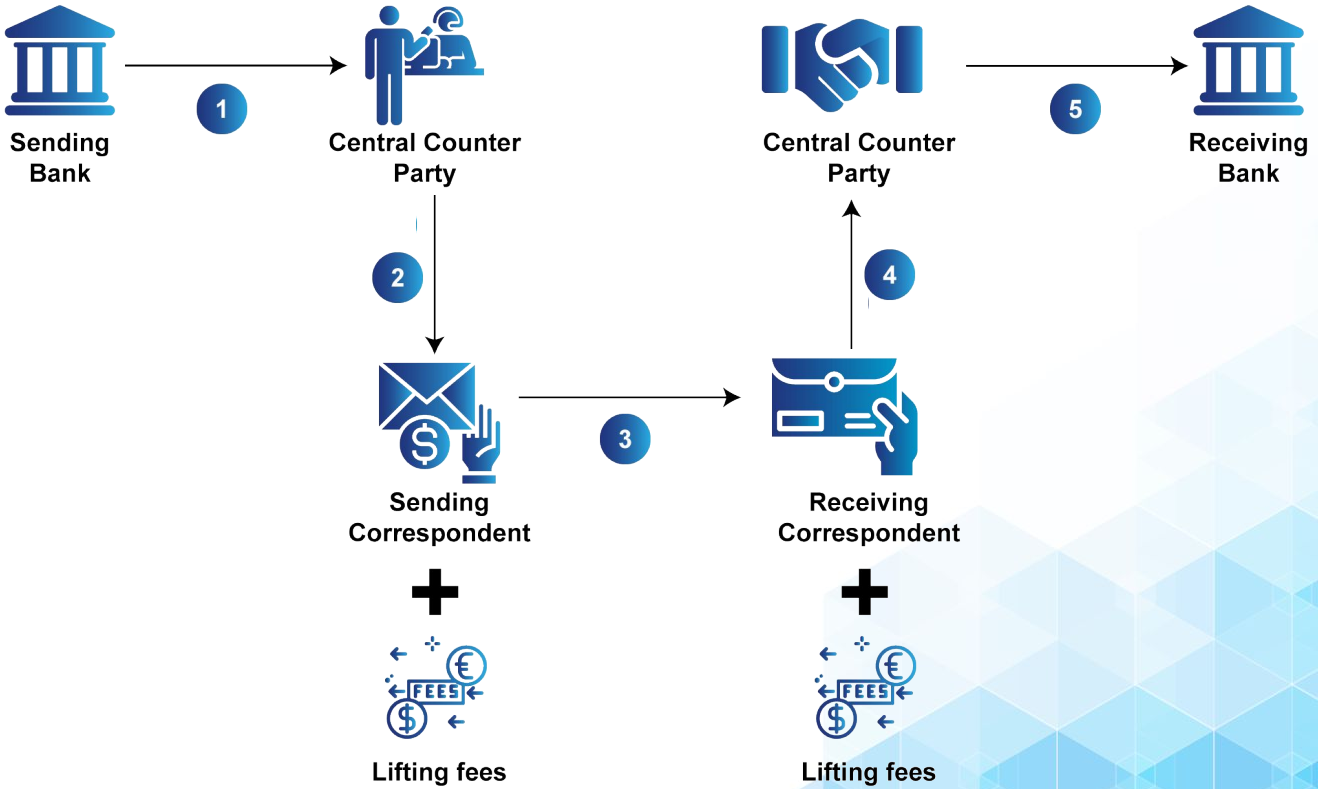

# Blockchain Use Cases in Finance and Business


# Blockchain Use Cases in Financial Sector

# Payments Across Borders - Payments



# Blockchain - Payments Across Borders

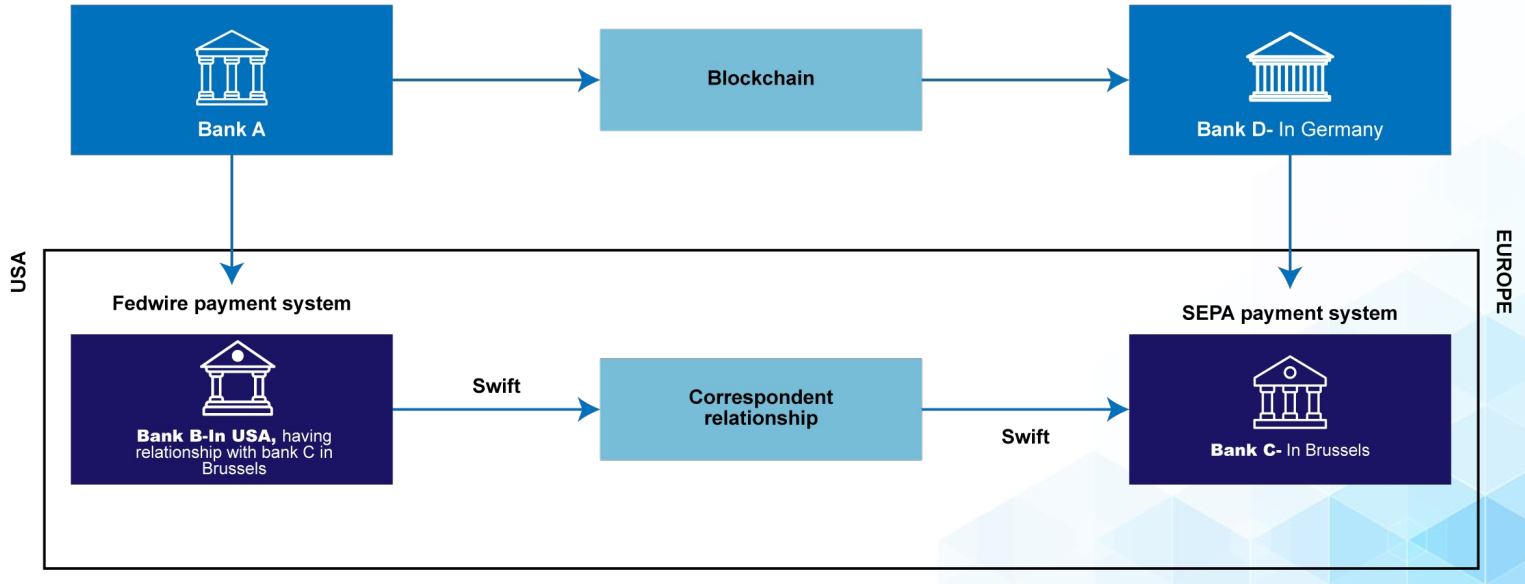



Figure 2: Money transfer from bank A to bank D through blockchain eliminating the 3rd party as highlighted

# Blockchain in Payments Across Borders

**Barclays bank** offers $5.5 million in support for the **Crowdz** - a blockchain start-up for trade finance.

Utilizing blockchain-based "Invoice Exchange," Crowdz seeks to transform the payments system with an emphasis on the global receivables market of $9 trillion. The service helps enterprises to digitize invoices seamlessly and speed up payment collections.

This means that, in particular, all small and medium-sized enterprises (SMEs) have access to the cash flow they need to thrive and expand. Unfortunately, millions of these firms have long been removed from the economy, accounting for 75 percent of global B2B exchange and which require invoice support the most.

A multi-sector national initiative to build a digital identity structure focused on smart contracts is being funded by major Spanish banks.

# Blockchain Use Cases in Insurance

In the US alone, every year fraudulent claims account for more than $40 billion, which is excluding health insurance. The traditional techniques fail to detect fraud, despite digitization. To a great degree, Blockchain will aid in fraud detection and prevention.

Blockchain makes sure that all transactions executed are immutable and time-stamped i.e. no one can change the records, even the insurers, to prevent some sort of breaches. This information can further aid in identifying patterns of irregular transactions that can be used by insurers in their fraud detection algorithms.

Blockchain can be applied throughout the insurance industry and across many lines of business, including:

- Registries of high-value items and warranties
- Know-your-customer (KYC) and anti-money laundering (AML) procedures
- Parametric (index-based) products
- Reinsurance practices
- Claims handling
- Distribution methods

# Blockchain in Insurance - Etherisc

**Etherisc** is insurtech startup based in the Munich. Etherisc was the winner of “most innovative blockchain startup award”.

For millions of investors, Etherisc offers new forms of insurance while democratizing access to the reinsurance market.

The goal of the start-up is to 'reinvent insurance' by developing a forum and transparent protocol for decentralized insurance applications, making insurance purchasing and selling more effective, allowing lower running costs, offering greater insurance sector transparency compared to traditional insurance operations, and democratizing access to the reinsurance market.

**IBM** has also introduced a top-notch insurance solution called openIDL, with the intervention of AAIS, a national insurance consulting firm. It's an open Hyperledger blockchain network that seeks to reshape how data is gathered by improving the reporting and regulatory criteria of insurance regulations.

# Blockchain - Accounting and Auditing

Blockchain-based methods are rather stable, and often helps users to eliminate human errors when handling accounting or auditing.

Cryptocurrencies and blockchain technology continue to be embraced by banks, and accountants have already started to accept these innovations. A significant volume of different documents, from invoices to infinite financial spreadsheets containing hypersensitive data, are stored. Blockchain can assist with processing this vital knowledge effectively.

DLT-powered racking data will lead to the automation of certain accounting processes using AI, which, in turn, may minimise errors and insider fraud by employees.

Blockchain may offer several advantages to Accountants like Improved Efficiency, Reduced Errors, Easier Reconciliation, Reduced Cost, Reduced Fraud, Improved Regulatory Compliance and Reduced Auditing.

# Blockchain in Accounting and Auditing - PwC

A blockchain audit service has been announced by **Price Waterhouse Cooper LLP**, a Big Four accounting company that has backed numerous blockchain ventures.

The service enables enterprises to have an external analysis on their usage of blockchain technologies, while ensuring that they use it correctly and encouraging workers to track the blockchain transactions of the organization.

PwC understands the challenges to the implementation of technologies.

This include issues within industries and institutions over compliance, as well as concerns over risk management and internal controls. Although blockchain is also called tamper-proof, it poses challenges comparable to the implementation of any information technology in its adoption.