Distributed Ledger Technology (DLT) beyond blockchain

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Takeaways for Today's Session

1 Blockchain & DLT Basics

Blockchain Applicability: Industry & Patterns

3 Microsoft Strategy Overview

Imagine if...

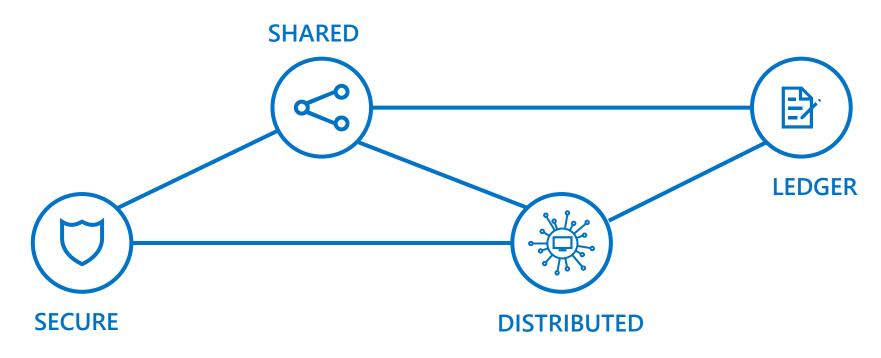
 You could verify the origin and location of materials and products in real-time, on demand, and anywhere

- You could fulfill and settle international digital value transfers in near real time while reducing operational costs and fraudulent transactions
- You had a **trusted immutable record** of asset ownership and transaction history
- Your contracts are capable to self-recognize the fulfilment of conditions, and automatically transfer assets at the agreed times with full transparency
- And much more...

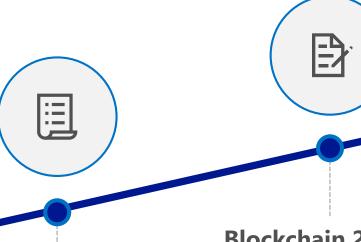


Blockchain capabilities

A disruptive technology trend that enables a shared, authentic, decentralized ledger



Blockchain Evolution



Blockchain 1.0

Simple Ledgers that record transactions

Blockchain 2.0

+ Smart Contracts (SCs) Logic Tier



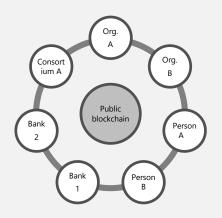
- + Cloud Servicing
- + Multilayer Middleware
- + Enterprise Smart Contracts

Microsoft Innovation

Smart Contracts are unable to access external data or events based on time or market conditions. Calling code or data outside of a Smart Contract or blockchain breaks the general trust barrier and authenticity of transactions. Cryptlets will allow the blockchain to access external data securely, while maintaining the integrity of the blockchain.

Blockchain Network Types

Public Blockchain



Many, unknown participants

Anonymous or pseudonymous

Open read and write by all participants

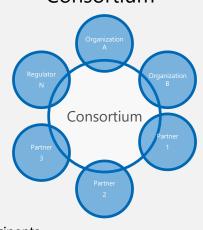
Consensus by **Proof of Work**

Enterprise Blockchain

Private



Consortium



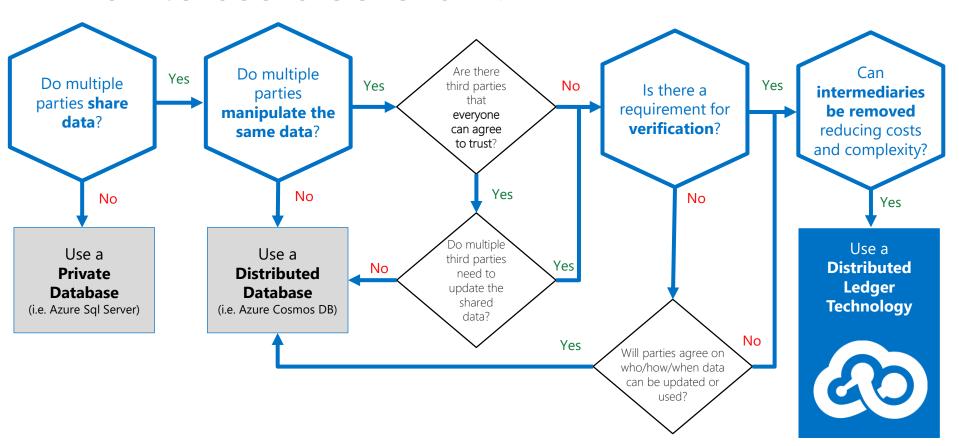
Approved participants

Users with known identities

Permission is required to write, read and participate in confirming transactions

Multiple algorithms for consensus

When to use blockchain?



Blockchain and Distributed Ledger Technologies (DLTs)

Blockchains and DLTs

(1) Chain

slock.it











HYPERLEDGER







ETHEREUM

(c) openchain











Blockchain Scenarios for all Industries

Industries Patterns Manufacturing **Banking and** Health Retail Insurance Government **Capital Markets** Digital Asset \$ Transfer 黛 **(4)** Asset tracking Loyalty tracking Claims Bond Issuance Licensing and Personalized Management medicine Real time Product Trade Finance auction for MBS / Property Land Records sharing provenance Loan Syndication supplier Payments Registration

Cross-Organizational Workflow

High Assurance Audit or Reconciliation

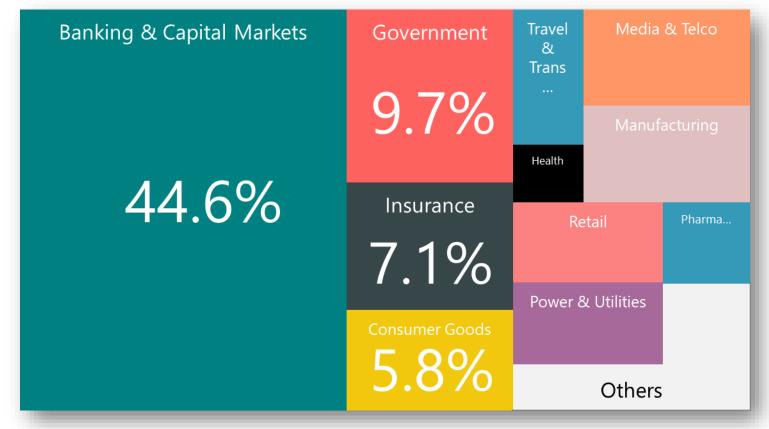
- contracts
- Supply chain transparency
- Logistics management
- Product Pediaree
- On-demand / usage based insurance
- Fraud detection
- Automated underwriting

- Post Trade Settlement
- Cross Border Payments
- Derivatives Trading
- Know Your Customer

- Benefits distribution
- Voting
- Aid tracking
- Military security

Compliance

And, it's also reflected in our engagement data



Blockchain Business Patterns









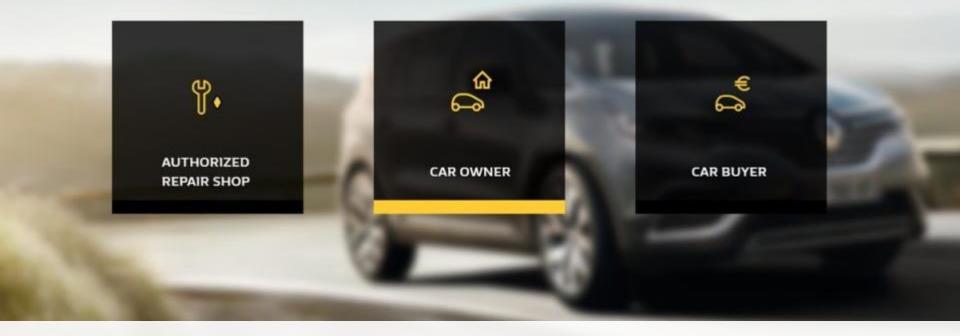








Groupe Renault | First Digital Car Maintenance Book





"This digital car maintenance book will enable us to provide our customers with new services in an ecosystem alongside insurers and dealers. Blockchain technology is able to create a reliable trust protocol"

"Beyond this project, this technology will be a major step forward for connected vehicles and the microtransactions and security requirements associated with them"

Webjet | Reduce Booking Errors



Challenge

- Webjet handles thousands of hotel bookings every day that pass through multiple operators. The high volume of transactions and number of parties involved in each transaction can lead to discrepancies.
- Booking errors negatively affect customers' experiences and undermine trust between Webjet and its partners, and can also have serious financial consequences.

Strategy

- Webjet and Microsoft developed a first-of-a-kind blockchain solution.
- The solution creates secure, independent transaction records that all parties can see.
 Known as 'Smart Contracts, they streamlining the booking and payment process, and reducing errors.

Results

- The use of blockchain removes the risk of data inaccuracy, boosts security and efficiency, and enhances trust and accountability between Webjet and its partners.
- The solution gives Webjet a competitive edge and could set a new industry standard.
- Webjet has an exciting opportunity to grow by facilitating transactions across the travel industry and selling its solution into other sectors.



"Microsoft's ongoing investments in building the industry's most trusted cloud platform around the principles of security, privacy and control, compliance and transparency, along with its deep heritage in guiding businesses, including Webjet, through periods of significant IT transformation made the decision to go on this journey with Microsoft a no-brainer."

Maersk | Secure and Streamline Marine Insurance Challenge Strategy Results • EY, Maersk, Guardtime, and Real-time visibility into the location, condition Duplication, inefficiency, lack of transparency, lack of data, fraud, and Microsoft developed a realand safety of high-value assets moving around errors across lots of parties interacting in time blockchain enabled the world platform for marine marine insurance Accurate, dynamic and fair underwriting and Change is hard due to multiple regulators pricing based on that visibility insurance and jurisdictions The solution streamlines Streamlined regulatory reporting and Rates are under pressure and costs are claims and settlement compliance processes, while reducing becoming unmanageable Accurate and transparent data sharing among Compliance is challenging errors. all relevant stakeholders with audit trail Capital freed from poor credit system



"It is a priority for us to leverage technology to streamline and automate our interaction with the insurance market. Insurance transactions are currently far too tedious and frictional. The distance between risk and capital is simply too far."

Where do I begin?

Production Pilot (varied)

(8 - 12 weeks)

Minimal Viable

Product

Proof of Concept

(2-3 weeks)

Business Briefing

(1 - 2 Hours)

Phase 0 **Exploring the Technology**

Phase 1 **Envisioning their** own Success

Phase 2 **Proving Business Capacity**

Phase 3 **Delivering Business Outcomes**

Blockchain with Microsoft

Blockchain with Microsoft

Blockchain on your terms

Integrated with your business

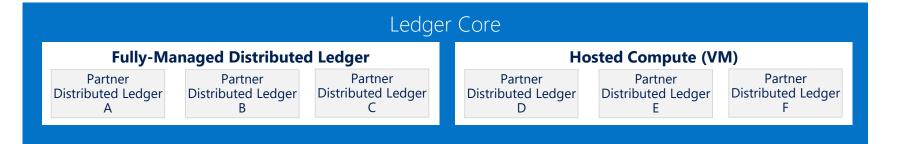
For the enterprise

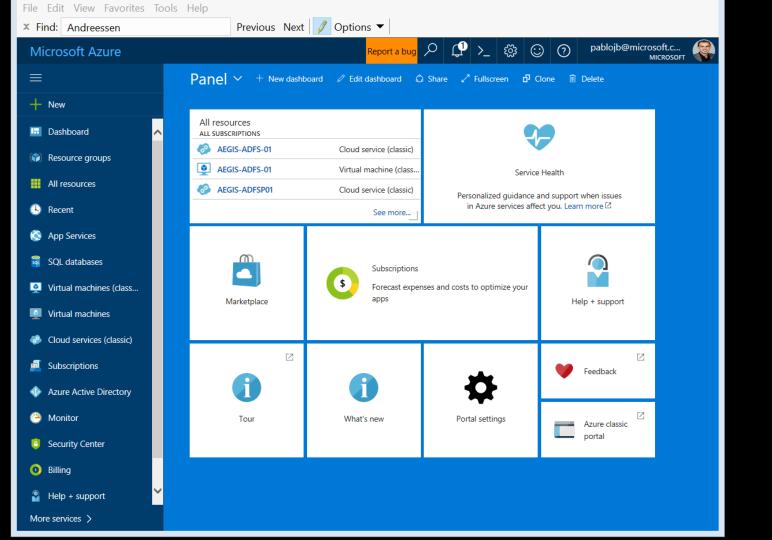
- Open cloud
- The most regions
- True hybrid
- Deep partner bench

- Identity & key management with AAD and Azure KeyVault
- Middleware support in Azure
- laaS, PaaS & SaaS

- Secure off-chain integration
- Security, confidentiality, and scalability
- Compliance

Microsoft Strategy





Deploy in the topology of your choice

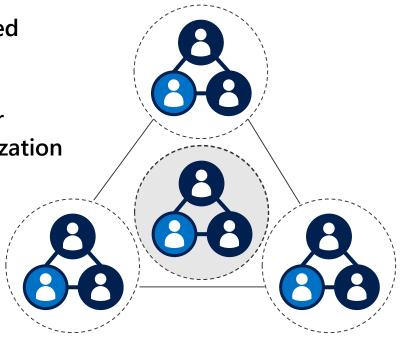
Dev/Test: Enable developers to get started
Single node (virtual machine)

Single Member: Simulate production for multiple divisions within a single organization

Multi-node across single region

Multi-member: Collaborate between multiple divisions and organizations

Multi-node across multiple regions, Azure subscriptions, and/or organizations



What enterprises need from blockchain?

Scalability

Enterprises need database-like latency and throughput

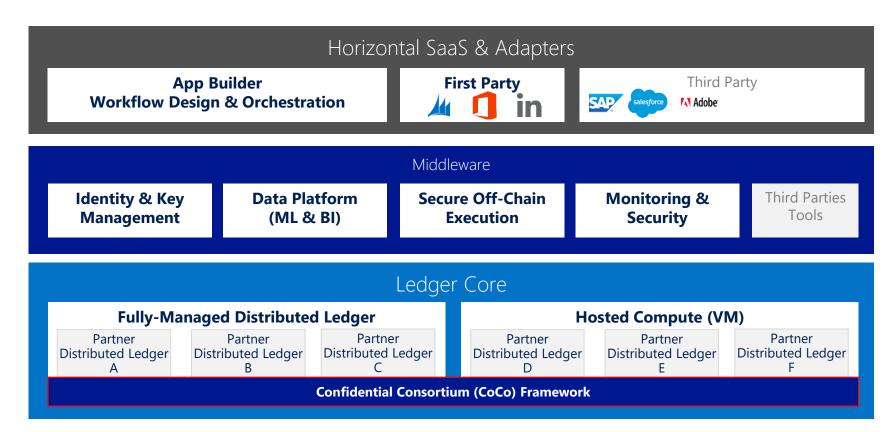
Confidentiality

Enterprises need richer more flexible confidentiality models

Consortium Governance

in distributed
governance

Microsoft Strategy



https://aka.ms/enterprise-blockchain



Thank you

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