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Shaping financial services' future

Deloitte prototypes and tools are helping companies adopt blockchain platforms

Mention “blockchain” to the average person and you’re likely to get a quizzical look, similar to the reaction the word “internet” prompted a quarter century ago. There is growing buzz, though, about how blockchain might transform not only financial services companies, but also many other industry sectors—much like the internet already has.

“Blockchain is the most advanced tool for addressing the security, authenticity, privacy, and accessibility of transactions, and its relevance is growing exponentially,” says Joe Guastella, Financial Services Industry Consulting Leader, Deloitte Global. “Every chief technology officer we meet with is either asking serious questions about it or already developing a blockchain strategy for his or her company. It’s proving to be a major disruptive force.”

So, what is [blockchain](#)? It’s basically a database for recording transactions—one that is copied to all of the computers in a participating network. The database retains the complete history of all entries, making its data verifiable and independently auditable. As the number of participants grows, it becomes harder for hackers to overcome the verification activities of the participants. So, the network becomes increasingly secure.

Deloitte currently is pursuing blockchain-related solutions in the areas of banking, digital identity, cross-border payments, loyalty and rewards, investment management, and insurance. We are teaming with blockchain startups BlockCypher, Bloq, ConsenSys Enterprise, Loyyal, and Stellar to build working prototypes. More than 20 already have been developed and a handful are actively generating income.

Additionally, Deloitte Ireland’s new Financial Services Blockchain Lab is advancing proofs-of-concept into functioning prototypes that are being built with specific clients in mind.

And Deloitte Canada’s startup, Rubix by Deloitte, has released a tool to select clients called Rubix Core. It will help clients build their own blockchain prototypes, customized for their unique industry and business needs.

“Along with its advanced security, blockchain could save users money and time, which makes the technology very attractive to all types of businesses,” Guastella says. “We want to give them the guidance, know-how, and products they need to make blockchain a reality for them.”

“We anticipate that blockchain adoption will occur rapidly as a multitude of applications emerge in different sectors,” adds Vimi Grewal-Carr, Managing Partner for Innovation for Deloitte in the UK. “The stage is set to innovate with apps and tools that can exploit blockchain’s potential. That’s where the near-term activity will be.”



Deloitte supports the World Economic Forum with a project looking at disruptive innovation in financial services. On 12 August, 2016, the Forum released the report, [“The future of financial infrastructure: An ambitious look at how blockchain can reshape financial services.”](#)