




Distributed Ledger Technology & Blockchain: Practical applications in Payment and Settlement Systems



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Why is DLT getting so much attention?

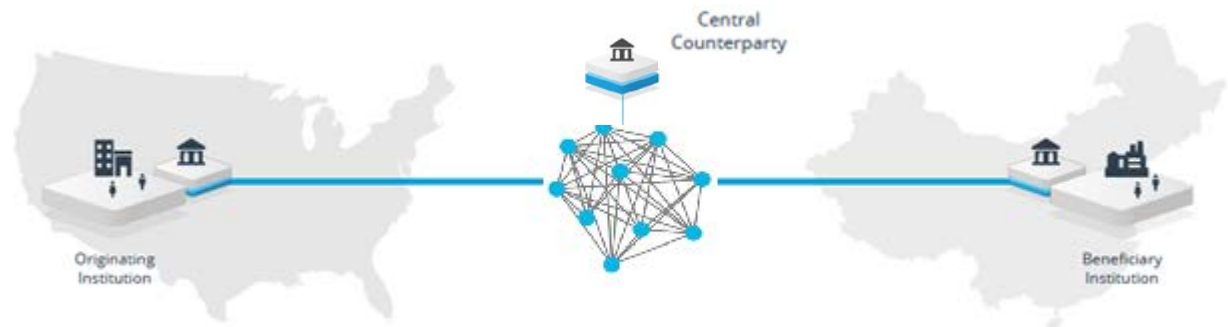
- All parties can have access to same set of data:
 - Lowers reconciliation costs
 - Increases transparency
- Enable P2P interactions [De-centralization]
 - Enhances speed
 - Reduces cost
- Immutability
 - Enhances integrity of system
- Programmability and Automate various actions [Smart Contracts]
 - Enhances speed; Reduces cost
- Enhance resilience of System
 - No Single point of failure

1 Clearly on cross-border payments...

Today: SWIFT + Correspondent = Relay

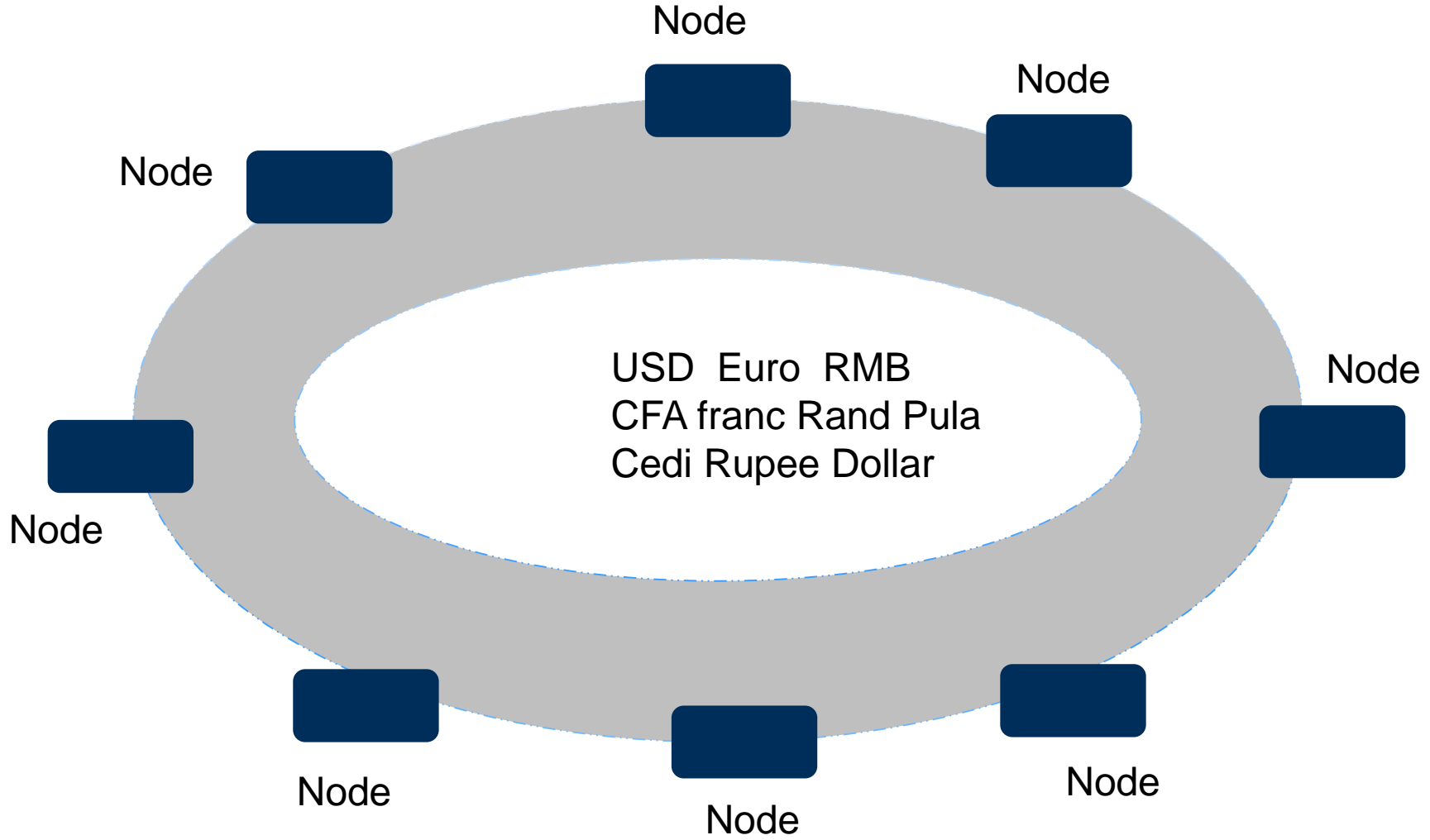


Tomorrow 1.0: trusted protocol – Bank2Bank

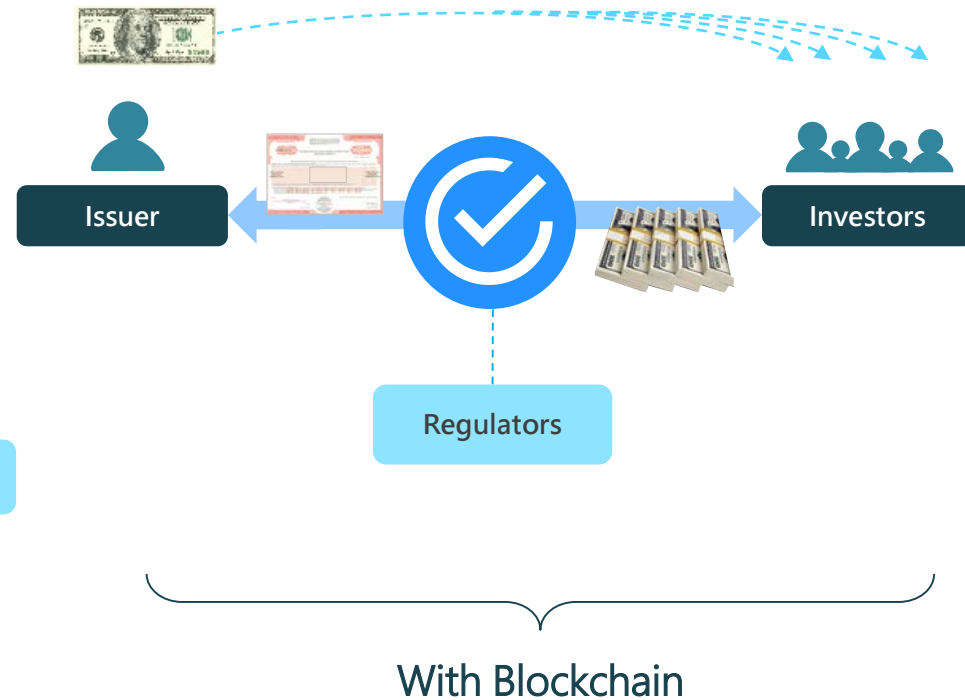
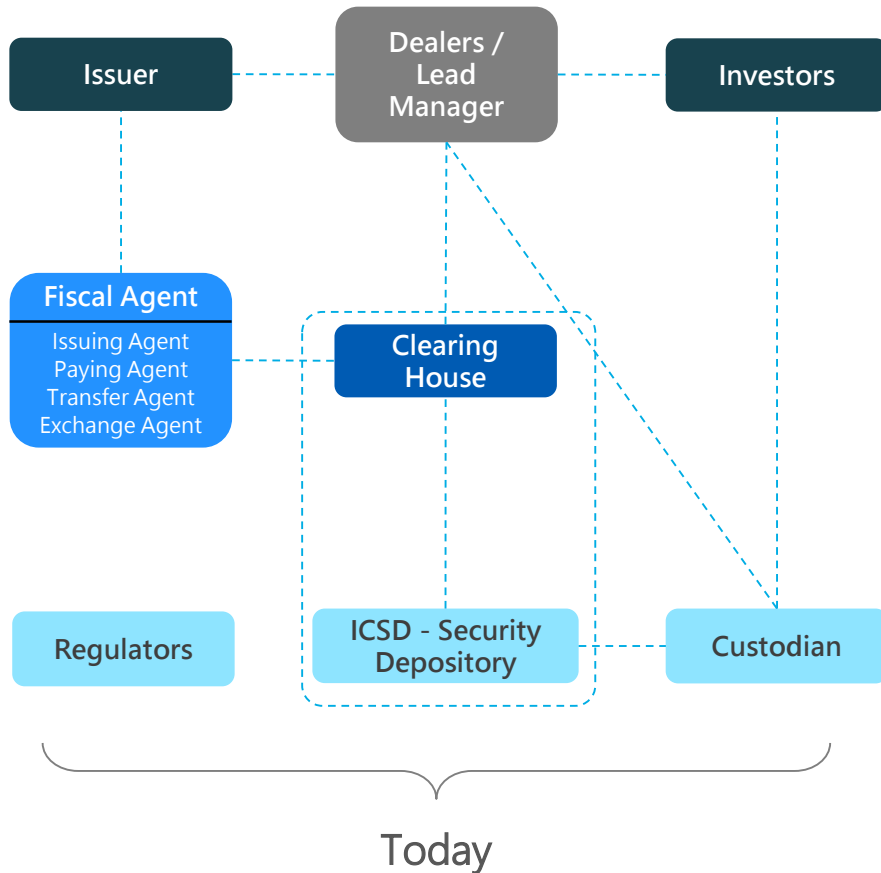


Tomorrow 2.0 : party to party = No Banks?

Regional Integration of payment systems



3 And on capital markets FMIs...



Other Areas

- Managing reference and ancillary data
- Tiered participation
- Payments in a supply chain
- Collateral management
- Centralized funds management

Objective for this panel discussion

Articulate the key areas where DLT is being applied in payments and market infrastructures **currently** and **the experiences** from them.

What are potential applications in the **medium term** and **why**

What needs to be **resolved/addressed** from a legal, regulatory, policy and infrastructure perspective, **for the medium term potential to be realized**.