

RealCGR® provides “RaaS” (“RegTech” or Regulatory Technology as a Service).

We provide secured integrated software that automates, simplifies and embeds compliance into company governance processes. We optimise compliance effectiveness, while keeping cost-of-governance in control.

BLOCKCHAIN, A “GAMECHANGER” FOR GOVERNANCE?”

What is «Blockchain» and What makes blockchain so special? Why do companies and governments want to use this technology? What are the future options? What are the consequences in terms of Governance? A whole series of questions that we would like to clarify for you.

Everyone has already heard about the ‘Blockchain’ concept, but what is it anyway?

«Blockchain» has become known for creating and trading crypto currencies such as Bitcoin and Ethereum, making the technology «known by name» to the general public and governments.

But Blockchain is much more than Crypto Currency. Blockchain is a new fundamental step in online technology. One can argue that its entry is as disruptive as the creation of the worldwide web itself. The latter fundamentally changed how we view our information and how we get this information.

Blockchain will change the way in which we carry out transactions on an equally fundamental basis. The technology is therefore «disruptive» for possibly a large part of business-to-business and government-to-Citizen operations. Many governments in Europe have already built highly innovative services based on or using Blockchain.

Let’s get into it, what makes blockchain so “special”?

First of all, we are dealing with a very young technology, launched in the course of 2008. In a sense, the early years of blockchain were some «dark years» as this technology was associated with the concept of crypto currency. The anonymity that came with it was frequently misused to buy illegal things unnoticed through the “darknet”.

For a wider audience, this technology was completely unfamiliar as mainstream media actually had no (or very limited knowledge of) the concepts used such as hashing, mining, ledgers, proof-of-work ...). Banks and governments did not see too many advantages as they very well knew that in the long run they would no longer be needed as «middlemen» (as the body required to intervene in transactions) in executing certain transactions.

Meanwhile, the tide is turning and it seems that technology enjoys great curiosity. Governments and large corporations are starting to adopt this technology because the potential is becoming increasingly clear.

Is it useful and why do organizations want us to use this technology?

Blockchain a rather complex technology that uses existing and new combinations of strong security concepts that honor the IT metaphor that blockchain is “an onion with many layers”.

We are not going into details about the technical aspect, but the benefits that are a fact:

- Absolute and undeniable irrefutability of transactions
- Strength of the concepts used such as the blockchain software
- The «chain of transaction blocks» (in fact, blockchain is better described as «chain-of-blocks»)
- Application of embedded high-end cryptography and mathematics
- Peer-to-peer concepts
- Use of «reputation» instead of (or in addition to) identity

Should you join in and what are the possibilities for the future?

To understand the possibilities for the future, we have to go to the past. «Blockchain 1.0» was used for trading crypto currency without exploiting the potential for other applications and ideas.

«Blockchain 2.0» changed in the sense that not only the transactions involving crypto coins are possible, but «everything» that has a value. This opened the door to «smart contract», the recording of agreements, the recording of the origin of something and the like.

«Blockchain 3.0» is used in all kinds of new contexts such as, for example, concepts such as «resilient cities» and «smart cities». The user and citizen can be offered all kinds of new concepts with an enormous ease of use for all. Examples of this are universal ID cards, promoting local trade, spatial planning, recording user rights and property, public transport optimization, cleanliness of a city or environment, interoperability of (city) services, urbanism (and planning thereof), safety, signing documents and transactions, paying for services...

Which aspects does blockchain change for governance?

Blockchain fundamentally changes a number of Governance concepts. Firstly, the approach is completely different in terms of «resilience» and business continuity management.

After all, transactions that use Blockchain are completely digital. Physical aspects of paper should only be taken into account to a very limited extent. One does not depend on «central» dependencies such as servers and mainframes. The mechanism is self-scaling and has a fully decentralized effect. The services that blockchain provides cannot in any way «go down».

The decentralized aspect is one of the major forces. Unless a global internet outage would occur, the network cannot actually go down. It «finds its way» through numerous nodes and users on «the chain». It always has the newest Driver software.

Transaction history is irrefutably recorded. The treatment of confidentiality and integrity in particular will require a different approach. After all, compliance is embedded in the system and it can be said that risks such as censorship, deliberate change of data, fraud, deliberate intrusion of all kinds are effectively excluded.

Governance parameters are built in based on the concept of «trust» (instead of «identity»)

Will business continuity and information risk management become redundant? Absolutely not. The use of blockchain is after all «limited» to the execution and recording of transactions (such as transferring money, recording contracts, conflict management, etc.).

And as the "payload" of blocks (i.e. the information itself that is carried on a block) can themselves be pointers to organizations data, the managing of availability and continuity remains unabatedly.

Organizations will still need different systems to perform their activities, the transactional aspect is changing and there are other governance issues to worry about such as the choice of blockchain.

When it comes to data protection, things must of course be carefully considered, since the decentralized principle of blockchain is opposite to a «central» approach ("Controller") in the GDPR.

How can we help you?

RealCGR wants to be progressive and can be your partner in the governance aspects of blockchain-based solutions. Clearly, we have adapted our solutions to the blockchain possibilities. From a conversation to a blockchain-based Governance solution, one address: RealCGR.

Please visit www.realcgr.com for more information.

