

UNCTAD World Investment Forum 2018
Blockchains for Sustainable Development

Statement by

James Zhan

Director, Investment and Enterprise, UNCTAD

Wednesday, 23 October 2018

Excellencies,
Ladies and Gentlemen,

I'd like to welcome you to this session on blockchains for sustainable development, the first time that the WIF has dedicated an event to this rapidly evolving area.

Before handing the floor to our keynote speaker, Professor Jem Bendell, I'd like to briefly outline why blockchains, or distributed ledger technologies (DLTs), are relevant for a UN agency like UNCTAD. Perhaps one day we will be using DLTs in our own operations. For example, we are currently exploring opportunities to use the technology in our eRegistrations solutions, to secure administrative procedures and tax payments for businesses. But for today, we are most interested in the topic in terms of the wider impact of DLTs on sustainable development and the opportunities and risks they present for developing countries in particular.

Starting in 2009 with Bitcoin, a decentralized digital currency (cryptocurrency), blockchains have developed beyond a global payments system and started to impact other areas. These include access to finance, supply chain management, digital identities, land registries, and the delivery of aid, through decentralized applications. These are all areas that could directly benefit economic and social development and, at the same time, impact developing countries' ability to attract foreign investment, as well as provide investment opportunities in themselves.

As blockchains might transform (and possibly disrupt) different industries, it presents both risks and opportunities to businesses, consumers and governments. This session will feature presentations from both sides of the debate. It will provide an overview of key blockchain applications, with a special focus on the implications for sustainable development and the operations of multinational enterprises (MNEs). New technology offers developing countries leapfrogging opportunities — as has been the case with mobile telephony for example. But how far will developing countries be able to harness blockchain technology and what are the risks that countries get left behind?

Given the scale and speed of change these technologies are bringing about, the reaction from both traditional industries and governments has been varied. For policymakers and regulators, responses to the changing landscape have ranged from positive to agnostic to negative. This session will examine some of these responses and elicit some potential policy concerns and recommendations for developing countries.

At the end of the session we hope to have a better understanding of blockchain technologies and their potential development implications. I now hand the floor to Professor Bendell.

Thank you.