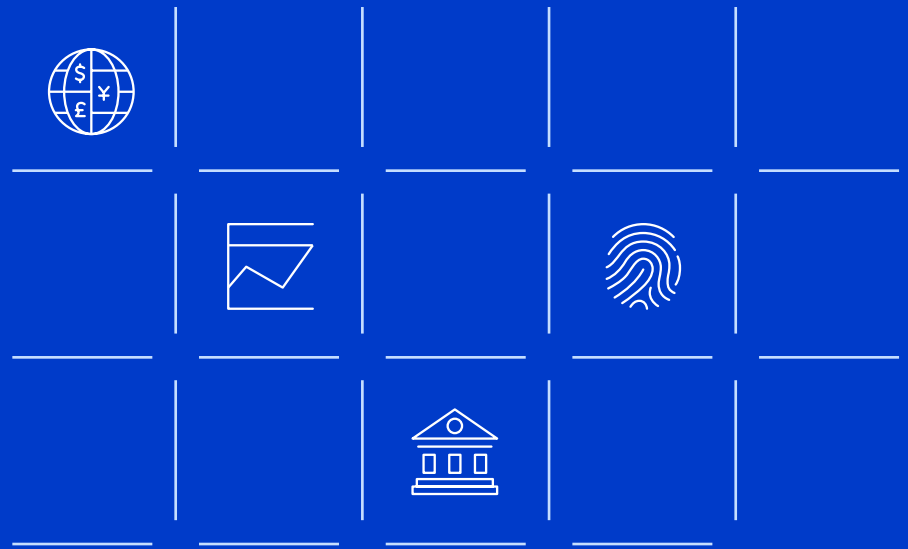


Build customer trust and enhance the banking experience with IBM Blockchain

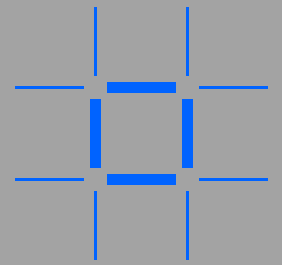
Create new business opportunities while increasing operational efficiency



Blockchain solutions are enhancing banking experiences for customers by condensing transaction times from hours to seconds,¹ removing manual processes, and reducing friction in day-to-day trade finance, digital identities and cross-border payments. With blockchain, you can conduct business more quickly and securely, moving from paper-based to blockchain-stored transaction records, which can enable easier expansion to underserved markets such as small and medium enterprises.

Using a distributed and consensus-based ledger, IBM Blockchain decentralizes information. In addition, it provides greater transactional transparency, helping to elevate trust between banks and their clients. The platform enables simplicity and operational efficiency while enhancing the customer experience.

91% of banks will invest in blockchain solutions by 2018.²



Current challenges in banking – and how IBM Blockchain can help:

Trade finance



Challenges

Banks struggle with manual processes and stringent requirements for managing, tracking and securing domestic and cross-border trade transactions. For example, processes for corporate trade financing letters of credit are typically paper-based and fragmented. This can make financing even more challenging for the 50 percent of smaller enterprises that may have no credit sources.³

Opportunities

Blockchain-based smart contracts can automatically store, secure and exchange contract details and financial terms; coordinate trade logistics and payments on an integrated real-time network; and streamline digital trade processes. With IBM Blockchain, ledger transactions can flow from one small enterprise to another through a trusted bank. Larger firms can also benefit by better tracking of trade finance transactions.

The result: IBM Blockchain and eight European banks have created we.trade,⁴ a multi-bank collaboration that's building trusted digital trade chain connections with smaller enterprises.

Digital identities



Challenges

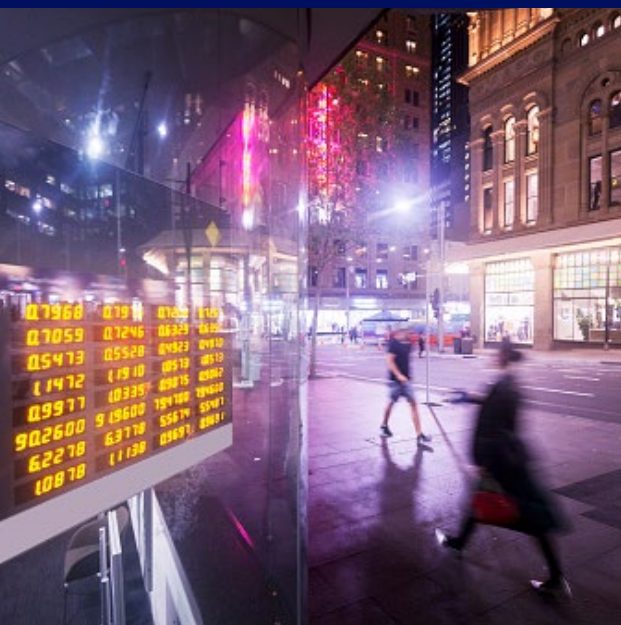
Requiring clients to repeatedly provide identifying information can erode customer satisfaction and cause transaction delays. Onboarding clients for checking accounts or mortgages – or migrating them from one bank to another – requires strict compliance with “know your customer” (KYC) standards.

Opportunities

Identification documentation can be consolidated on IBM Blockchain with managed access and permissions – all without storing the actual identifying information. This supports KYC due diligence, helps secure personal information and enhances client satisfaction.

The result: IBM Blockchain and SecureKey Technologies are building an identity-sharing ecosystem with Canadian banks so clients can instantly verify identities when opening new accounts. Other uses include driver's license applications or requesting utility services.⁵

Cross-border payments



Challenges

Cross-border payment transactions can be costly and take days to complete. Fluctuations in foreign exchange rates and fragmented banking systems can create friction and lead to high reconciliation and dispute resolution costs.

Opportunities

With IBM Blockchain, banks can create secure, low-cost and high volume cross-border payments without sacrificing margins. They can also access new markets and currencies with reduced risk.

The result: IBM Blockchain is helping financial services firms around the globe transform processes and provide better client service through a cross-border payments. This solution provides a multi-ledger, single network platform for real-time clearing and settlement.

How blockchain is transforming banking

With more secure and streamlined trade processes, frictionless digital identity interactions, and faster, lower-cost, cross-border payments, IBM Blockchain is helping banks approach business in entirely new ways. You can remove manual processes, offer new products and services to customers more quickly, and leverage technology to serve new client bases without increasing risk.

Banks are collaborating every day to build and refine blockchain solutions to access new markets, increase efficiencies and create superior customer experiences. To learn more about how IBM Blockchain can help your organization, visit: ibm.com/blockchain/industries/financial-services

[LEARN MORE](#)

1. "Leading the pack in blockchain banking," IBM Institute for Business Value, September 2016.
 2. Jo Lang, "Three uses for blockchain in banking," IBM, October 23, 2017.
 3. "SME Finance," World Bank Group, November 2017.
 4. Antony Peyton, "IBM and eight banks unleash we.trade platform for blockchain-powered commerce," Bankingtech.com, October 17, 2017.
 5. "IBM and SecureKey Technologies to Deliver Blockchain-Based Digital Identity Network for Consumers," IBM, March 20, 2017.
 6. "IBM Announces Major Blockchain Solution to Speed Global Payments," IBM, October 16, 2017.